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THE COÖPERATIVE MOVEMENT IN SOCIAL WORK

THE SOCIAL WELFARE LIBRARY

The Cooperative Movement In Social Work

BY

WILLIAM J. NORTON

(SECRETARY OF THE DETROIT COMMUNITY FUND)

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THE SOCIAL WELFARE LIBRARY

EDITED BY EDWARD T. DEVINE, PH.D., LL.D.

A series of volumes for the general reader and the social worker, designed to contribute to the understanding of social problems, and to stimulate critical and constructive thinking about social work.

SOCIAL WORK: by Edward T. Devine.

COMMUNITY ORGANIZATION: by Joseph Kinmont Hart.

INDUSTRY AND HUMAN WELFARE: by William L. Chenery.

THE COÖPERATIVE MOVEMENT IN SOCIAL WORK: by William J. Norton.

EDITOR'S INTRODUCTION

1. How is it that interdependence has come to qualify the American ideal of individualistic independence?
2. Why is the American public covertly annoyed by the rise of the new philanthropy?
3. What good has been done by the charity organization movement?
4. What is the precise function of (1) the Confidential Exchange, (2) the Joint Application Bureau, (3) the Endorsement Committee, (4) The Bureau of Advice and Information, (5) the Council of Social Agencies?
5. What is implied in the declaration that "there is nothing acquisitive about a Central Council?"
6. What is the flaw in the plan of the Council of Social Agencies when "unsupported by some more cohesive strength?"
7. In the early history of financial federation, what ideas are especially associated with (1) Liverpool, (2) Denver, (3) the Jewish Federations, (4) Elmira, (5) Cleveland?
8. What bare facts have been disclosed by local studies of the financial support of social agencies (1) in Cleveland, (2) in Philadelphia, (3) in Boston, (4) in Chicago?
9. What were the findings of the "intelligent" and "judicial" report of the Committee of the American Association for Organizing Charity in 1917?
10. If the War Chests were "by no means all bad," what were, nevertheless, their "unpleasant features?"
11. What is the fundamental problem of organization in a financial federation and how has it been answered (1) in Rochester, (2) in Denver, (3) in Cleveland,

(4) in Cincinnati, (5) in Des Moines, (6) in the War Chests, (7) in the more recent Community Fund?

12. Should executives of social agencies serve on the Managing Board of the Community Fund?
13. What agencies are to participate in the Community Fund and on what principles are admissions to be based?
14. Which agencies are better outside than in?
15. What are the principles of budget making and budget control? What apprehensions does the idea of the budget arouse? What is the answer to them? How about emergencies? Is the budget an essential in the Coöperative Movement? What decisive lesson is to be learned about this from the early history of federation in Denver and in Cleveland?
16. What would be your estimate of the cash value to a commercial agency of the exclusive possession of such a comprehensive Manual on Campaign methods of raising funds as is embraced in Chapter XI?
17. What are the financial results of federation on all the evidence?
18. Distinguish between (1) saturation point and (2) point of diminishing returns for present day methods.
19. Does the "immunity rule" need modification?
20. Which are the most generous cities in America and why?
21. What are the net results of the coöperative movement (1) in the enlargement of social work, (2) in the improvement of standards, (3) in public education?
22. By what specific methods have standards been raised and quality improved?
23. Is it fantastic to set up definite norms for (1) quantity, (2) numerical service facilities, (3) diminishing returns in the application of particular methods?

24. Is there any place for the coöperative idea in the raising of funds for buildings and for endowment? What is the relation of the Community Foundation to the federation idea?
25. What will the national social agencies say about the author's trenchant and candid treatment in Chapter XVII of the conflict between them and the financial federations? Will they agree that both will eventually be caught up in a really national coöperative movement bigger than themselves?
26. What will the social case-workers say about the author's bold claims in Chapter XVIII for the spiritual power of coöperation as embodied in the federation?
27. Does it jar you to hear love described as the "thin film of protection squirted between the wheels of life?"
28. Do you agree with the author that "Social Work is the most advanced humanistic conception of the day" and for his reasons?

Answers to such questions as stand above will be found in the following pages, or in the mind of the thoughtful reader of them. It is high time that they should be raised and answered.

William J. Norton is by common consent the qualified spokesman for this coöperative movement in social work. He has written its authoritative manual. Budget making and control, the actual fund-raising campaign, and the coöperative relations among agencies are treated comprehensively with the sure and discriminating hand of the skilled expert.

Directors, executives and workers in the two hundred and fifty existing federations will certainly hail the appearance of such a manual with relief and delight. But it is far more than a manual for campaigns. It gives a historical background and a critical analysis of every

aspect of the new coöperative movement and thus it becomes all the more useful as a text-book for workers and students.

The author's tone is judicial, objective, amazingly fair and candid. Those from whom he differs are quoted at length, without garbling or disparaging comment. The book is packed with ideas. It is rich in original reflections, in searching criticism, in constructive suggestions.

The spiritual side of the coöperative movement is emphasized. More important than financial gains are the noteworthy results in the increase of social work, the improvement of standards, the enrichment in quality. Public spirited and generous contributors to social agencies or to community funds will find here the sort of information for which they are looking or should be.

E. T. D.

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THE COÖPERATIVE MOVEMENT IN SOCIAL WORK

THE COÖPERATIVE MOVEMENT IN SOCIAL WORK

CHAPTER I

THE SETTING

During the nineteenth century, especially its closing decades, and during the first decade of the twentieth century, there came into the consciousness of American life a new emphasis upon social problems, accompanied by the rise of many social service organizations, some aimed to alleviate suffering as it existed, some to bring greater opportunities to those who were without privileges, and some to prevent one or another aspect of distress. These organizations multiplied in large numbers and early in the twentieth century, when the process of multiplication was at its height, demands for greater efficiency, greater economy, greater coöperation and less confusion among them reached a climax in a number of urban centers in the creation of coöperative associations. Councils of social agencies, welfare federations, alliances of charities and philanthropies, community funds, and community chests, as these coöperative organizations were variously called, proving satisfactory to the early experimenters, other communities took up the idea, until at the close of the first quarter of the twentieth century approximately two hundred and fifty American and Canadian com-

munities had adopted some sort of coöperative plan; and interest had spread into all of the civilized world.

Social Work Development in America

In order to understand this movement it is desirable to review briefly the peculiar development of social work in America. For coöperative organization standing by itself is merely a step, and by no means necessarily an ultimate step in a process of organizing sympathy, responsibility, and civic and scientific knowledge about a new professional group to cope with the involved and perplexing adjustments of life in that paradoxical state of a highly organized and yet highly individualistic society.

The instinct of mankind is toward generosity, mutual dependence and mutual helpfulness; and the habits of individual charity and philanthropy have existed from time immemorial. Organized charity and philanthropy also are no new things in the world. They have existed after a fashion for generations without number. Social work, however, as it is expressed today on a giant scale of organization, particularly on the North American continent, is new; or, rather, it is a new and vitalized way of expressing these old instincts, old tendencies, old practices, and new discoveries.

Destiny determined that American society should be individualistic from its beginning; and that same destiny plus the times when the American ship of state was launched upon its course determined that there should be a minimum of what is now known as social service for the first two centuries of American life. The earliest settlers were hardy adventurers believing profoundly in themselves and aspiring greatly for their

individual advancement. If they had been otherwise they would not have dared the dangers that they encountered or have gone through the tremendously uncomfortable struggles that they did in order to win their final successes. They had little capital except their own innate ability and the courage to dare and to fight for a richer life. To be sure opportunity was at hand, spread lavishly before them across an immense domain of undeveloped and unowned natural resources; and they had but to win and to hold, and their rewards were great. They had the gambler's mixture of courage and of resignation; and this combination, together with the rich opportunities, created naturally enough a philosophy that almost deified the strength of the individual and held in contempt governmental and group restraints for the protection of the weak. The hordes of stalwart immigrants sweeping into the country following the earliest settlers, and the immense reaches of wilderness remaining for conquest up to a late date, fostered and solidified this bold spirit of the fathers.

The Individualism of the Fathers

Men stood foursquare against the winds of destiny, every man the captain of himself. He did not lean upon anyone else for the bread that was needed to fill his larder, because game abounded and rich soils yielding to labor without too much skill were his for the taking. Shelter could be hewed from the virgin wood. Raiment could be taken from the backs of deer, or grown by his own animals, or in his own fields, and fabricated and tailored by his wife and children. Abundance was abroad; independence flourished; and recognized social problems on the American continent were

elemental indeed. Those that were acknowledged revolved about protection from enemies, sickness, the most obvious forms of pauperism and the need for culture and education.

So Americans lived and died for generations, a race in which the recognition of the need for social organization was not readily granted. Nevertheless the very processes which exalted this simple individualistic philosophy to the throne of a national dominance were silently and steadily building up forces that later compelled it grudgingly to expand into something bigger and more complex. As the years advanced the population absorbed the land. Mechanics grew from nothing into a giant structure. Roads, steamboats, railroads and automobiles, one after another annihilated distances and sped up production. Banks and financial institutions facilitating exchange and credit made possible still greater marketing and production. This growth of an intricate and complicated economic life took increasing numbers of people from the land and threw their reliance for a livelihood more and more away from themselves into group production, group marketing, and group financing. Comforts and luxuries, budded among the leaves of hardihood, labor, and courage on the old stem of individualism; and American civilization bloomed forth, a garden full of flowers of dominant beauty and richness.

New Problems

Yet the garden was not a landscape production. It was a massed field of accidentally sown plants crowding and competing with one another for air and water and soil. The conditions made it necessary that some buds should never bloom; that some leaves should be

twisted and withered; that some stems should be dwarfed and broken. The effects of the law of the survival of the fittest, at work now in an order of economic competition rather than in a simplified struggle with savage nature, became more cruelly disastrous than before. To the elemental possibilities causing pauperism in that old pioneer society, limited to the rare failure of the individual in a place of abundance—failure that came almost exclusively from mental weakness, bodily weakness, spiritual weakness, and the calamities of nature—were added the frequent calamities befalling the financial structure, and the greater dangers flowing from a new type of economic overlordism and from human congestion.

The compass of competition had swung from the point where man was striving chiefly against the simple apparent forces of nature to where man was striving against the subtle and obscured wills and abilities of other men. The pressing throng of humanity crowding in closer and closer together became a churning maelstrom, a fierce battle of wits, in which the strongest were tossed to giddy heights and the weakest fell to miserable depths. A decent respect for the welfare of the masses meant that independence must presently be supplemented with a larger acknowledgment of the fact that interdependence had arrived.

Crowding brought intimacy and elbow brushing; and intimacy made contagion easy, the spreading of germs both good and harmful, the spreading of ideas both fine and bad. Social barriers, the bulwarks of personal morals and of personal ethics, were confronted with new enemies and put to new strains. Congestion and a new conception of speed piled up possibilities of accidents and of secret crimes. Congestion, and depend-

ence upon wages rather than upon each man's own consumption products, meant the possibility of new failures to win enough for the elemental needs of life, food, shelter and raiment. Periods of unemployment, very rare indeed when men took a livelihood from the soil, became common enough among men straining in desperate competition with others in the commercial and financial maelstrom. Hordes of new immigrants constantly congested the labor market, making a wage scale possible that did not always meet the costs of life. New mechanisms, bent upon accumulation with a decidedly short eye for justice, caused men and women to work such long hours, at such speeds, and under such conditions, that health broke down too frequently, morals failed and accidents increased to the point of scandal. Little ones went to work in factories where sanitation did not exist; where noises stilled even the shouts of children; where the concentration, the speed, the heavy labor, and the long hours dwarfed minds and souls and bodies. The crops of widows and orphans, of families dependent through handicaps, sickness, unemployment, inefficiency and mental breakdowns increased.

Elemental Social Institutions

The formation of society is always a blind process and the eyes of most of those participating in its formative period are focused upon the immediate dazzling rewards of the speculative competitive game, and not upon the probabilities of misery that must always drag in its train, or upon an analysis of the rules of the game for a reduction of its attendant miseries. To be sure primitive suffering is always apparent and is always dealt with after a fashion. Elemental and crude

machinery existed in America from the first to care for orphans, the dependent aged, defective dependents and the friendless sick. Some machinery existed for protection against and punishment of crime. A rude sort of quarantine was in use from time to time and the instinct for recreation was always met after a fashion.

The Government and the Church sufficed for several generations as the instruments to do those few charitable things which the people recognized as needing to be done. Township and county governments accepted the custody of dependent children, of aged poor, and adopted the simple policy of farming them out. Later came almshouses, which were not only infirmaries for paupers but also insane asylums, feeble-minded institutions, sometimes hospitals and places for dependent children. The cause of education, which may be regarded as one of America's greatest social achievements, received attention from the very first.

But the spread of organized industry, commerce, and finance had created cities, causing them to grow rapidly, very rapidly according to old world standards; and two by-products of immense importance to human beings resulted that were bound to enlarge these conceptions. One was the accumulation of new vast stores of wealth, which released some energies and capacities from elemental economic production and freed them for assault upon the problems of misery; and the second was a growth of scientific knowledge of man and his environment; of technical knowledge of how to adjust maladjusted man, and of knowledge of the methods of human organization. These forces, when united with the elemental instinct toward helpfulness and brought face to face with the new urban social prob-

lems, could not fail to breed a new system of social service.

The growth of these various forces was of course slow. They did not rise overnight; and they did not penetrate the consciousness of the continent too quickly. Certainly any acknowledgment that social problems should be attacked was conceded hesitatingly and with indecision. The nation was a nation of individual prosperity hunters, controlled by the hardy ideals of the early settlers, which had been welded into a social tradition by hardy successors. Self-sufficiency was a habit. Individual initiative was a fetish. Americans hated failure and were loath to recognize that anyone must of necessity fail. The fear of the pauperizing influence of charity and a general mistrust of group control was pronounced. There was a grudging dread of the growth of the powers of the state and of organized groups. Concessions to group welfare had literally to be wrenched from this gospel of free initiative. Yet it was done inch by inch and bit by bit over a series of years.

Later Institutions

As wealth grew and leisure developed in the upper classes, men and women in little groups who had that feeling of ethical responsibility which their religious teachings prompted, undertook here and there to establish orphan asylums, children's aid societies, and little relief societies. Some of them paid attention to the correction of the practices which marked the brutal treatment of prisoners. Hospitals also began to appear. By the middle of the nineteenth century a distinct tendency had begun to turn somewhat from reliance upon the government as the administrator of charity,

and to create organizations supported and operated as independent societies for doing good. Two decades later the charity organization movement appeared, transplanted from London. It was America's first ambitious attempt at coördination and aimed to bring under control the large number of separate relief societies that had grown up in the previous decades. In the meantime a great influx of Catholic immigrants strengthened the Roman Catholic Church which, true to its traditions, proceeded at once to a continuing expansion of its benevolent institutions.

In the years following the Civil War a great many private institutions arose in the country, doing a great many different things. Each of these, of course, was exclusive, and each followed a narrow channel of its own. The private social service which looms so large to-day laid most of its foundation stones in those thirty years between the close of the Civil War and the Spanish American War. Wealth developed at an enormous rate and more people were free from their own affairs and could pay attention to philanthropy. Beginning with the last decade of the century two movements that had been brewing in the previous years began to accelerate. Public health conceptions suddenly became popular and the effort to socialize the leisure-time activities of the people found an instrument in the social settlement. The growing knowledge of the healing arts was capitalized for organization purposes; and the new leisure made possible by an enlarging economic surplus was attacked as a problem for solution through organization. Hospitals were multiplied, both general and special. Clinics were enlarged, and many specialized clinics were founded: baby welfare, prenatal, orthopedic, venereal, tuberculosis and others.

Nursing societies spread throughout the country. Health propaganda and health demonstrations were organized. Social settlements, playgrounds, community arts, parish houses, athletic leagues, summer camps, and many new and useful organizations arose in the field of leisure-time activities.

Researches in the science of the human body, in the science of the human mind, in the science of human relations and in the science of government proceeded apace, bringing a multitude of new ideas for organization. All of the major fields of welfare were baptized afresh with knowledge and inspiration under our fathers' eyes and under our own, creating a remarkable humanitarian renaissance accompanied with a semi-scientific unfolding. Specialized organization after organization sprang into being, demanding public attention and setting up claims for support.

The Need for Co-ordination

Consequently when the twentieth century opened America suddenly awoke to the fact that it had a great body of social work fairly well organized as individual institutions and poorly organized as the basis of a community program. In some of the larger metropolitan areas several hundred social agencies existed, and even in small cities as many as twenty or thirty such organizations had grown up. A handful of the more intelligent social workers whose horizons were larger than the circle of their own work were already thinking of ways and means of coördinating the many agencies for the advantage of the whole. The givers of the country also began to call attention to the chaos that had grown with the new philanthropy. As we have already indicated, the origin of many of the pres-

ent endeavors was in the wealthy or leisure class, a fairly limited body in each community. This was the class that had mastered the rules of human organization and had turned them to its profit. This was the class that supported private social work. And as the number of projects increased this was the class that found itself beset with a great confusion and began to realize that economic and efficient organization of social work was lacking.

The main body of the American public, busy with its own work and pleasures, had hardly been aware at all of the rise of the new philanthropy. When at last it did begin to see the agencies it looked askance upon them; and when it discovered how many of them there were and what queer names they bore, it became covertly annoyed at them. Splendid as the organizations were, one could hardly blame the great public. It believes instinctively in charity. It has no natural belief in organized charity or philanthropy. That has to be cultivated. The public is not a thinking body. The few laws of social organization that it masters it knows for the most part unconsciously. The pioneer human scientist must first make his discovery; the social administrator follows him in organizing the discovery; and the public must not be blamed because the pioneer researcher and social observer are out ahead of the public, so far ahead that they are frequently dim and hazy figures in the public consciousness.

Limited Support

The existence of these individual agencies then, together with the knowledge that more and more of them were being created constantly, gave rise to a three-cornered protest coming in part from social work

itself, in part from the active supporters of social work, and in part from the general public. These protests formed themselves into certain very pertinent and practical criticisms, the simplest of which revolved around the question of support. In each community a limited number of people were known to be generous and known to be interested in anything that was for the advance of humanity. In starting a new agency it was customary to look to the known generous for a major portion of the support of the organizations, accepting, to be sure, the general principle that the circle of givers must eventually be expanded. Although the principle of expansion was accepted, studies made of the support of the agencies of Cleveland in 1907 and again in 1910 indicated that in that community at least the number of givers was not increasing, and that between those years there was an actual decrease. Generous people naturally began to object. They did not object to giving; but they did object because others were not giving, and because solicitation by the agencies took so much of their time. They felt that they were doing more than their share; and that others should be educated in the performance of a like duty.

Another complaint arose from those who secured the money for the numerous agencies. Only a few people in every community were deeply enough interested to undertake the unpleasant task of soliciting support for philanthropy. These few were called upon time and time again by different organizations in need of funds, and an increasingly large portion of their time was being occupied in the business of solicitation. A prominent merchant in one of the large cities of the middle west confided to a friend of his that he had spent one-third of his time in eight successive months

begging money for the support of twelve different organizations.

A necessary corollary to these two faults was insufficient money for many worthwhile organizations. Social service executives and board members, while devoting as much time as they could spare to the work of financing the agencies, were, by the very nature of the situation, soliciting in an exclusive group, each prospect being visited by many workers. The results were found to be unsatisfactory. Limited capacities led automatically to the adoption of stunts, charity balls, tag days, ticket selling and general entertainments which were poorly produced, exceedingly costly, and quite annoying to the public at large. For some reason or other a natural repugnance develops when someone whom you do not know, whether beggar or solicitor, approaches you for a gift; and so the stunts and tag days increased the protest.

Excessive Costs

The next set of criticisms revolved around excessive costs. Before any efforts at correction were made in Cincinnati, an analysis was made of the cost of raising money in one hundred agencies. Older organizations that had an established clientele and that were static, not seeking further growth, were spending from less than 1 per cent to about 4 per cent to raise their money. At the other extreme was an agency relying upon a peculiar method which cost 66 cents of each dollar raised. In between these were many agencies in various stages of development. Some were just struggling to establish themselves, expending a large percentage upon promotional cost. Others, portions of whose work were relatively well established, but which were

expanding, found it necessary to make heavy disbursements in financing the expansions. The general average cost of raising money for the hundred agencies was 15 per cent. A number of other cities have made somewhat similar analyses and have arrived at approximately the same figure.

A feeling was widely expressed that other financial wastes existed: those arising from poor purchasing methods and those arising from the necessity of maintaining so many small duplicating offices. It was thought that agencies might profitably be combined and that greater efficiency and wider human service might flow from the combinations. The cost of many clerks, accountants, telephones, equipment, rent and other expenses would be freed for direct service.

The fourth set of criticisms against the system was duplication of work. Warner, in his famous book "American Charities," lays considerable emphasis upon competition among the charities of the churches, stating that "interdenominational competition induces many of them to develop their charities as engines of church extension," which "can be and sometimes is carried too far." Speaking about the early ideal of the charity organization society movement to act as a clearing house for relief organizations, he says, "yet efficient coöperation in this matter on the part of all relieving agencies has been one of the most difficult results to secure."

Duplication

Duplication in family work had been an open sore since the beginning of philanthropy, in spite of all efforts to control it. The rise of the charity organization movement did more than any other thing in

many generations to master it. But the rapid growth of many new agencies, each with the intensified focus of the specialist, with no general synthesizing effort to counterbalance the nose-to-the-grindstone vision, gave rise to new possibilities of duplication. Cases in which two or more agencies worked were common and cases involving many organizations not at all infrequent. A case came to the attention of one of the registration bureaus wherein fifteen organizations and several individuals had participated over a six-month period. The fact that more than one agency deals with a family does not of itself mean duplication of service; but in the closing years of the nineteenth century and in the early years of the twentieth century it meant duplication as often as not.

Ironically enough, whenever agencies earnestly tried to avoid duplication of case work they frequently fell into the appearance of unreliability with their public because of their habit of referring cases to other agencies, and the consequent failure to get the best results in many cases. The Bureau of Social Research of the Seybert Institution of Philadelphia published in 1919 a study of "The Functional Relations of Fifteen Case Working Agencies As Shown by a Study of 421 Individual Families and The Report of the Philadelphia Intake Committee" that illuminates this difficulty. In its conclusion the report says: "Perhaps the most vital issue in this whole question of relationship was that of placing the responsibility for case work. Occasionally agencies talked over plans, but there was rarely any thought of having one agency in charge of the case work. Usually the burden was carried by both agencies, or shared by a third or fourth agency if there chanced to be so many involved. Treatment was

administered independently by each agency, this treatment being limited only by the agency's conception of its functions. Often, as we have seen in such cases as the Delaratta, the agency itself was not clear as to its own limitations and overstepped all arbitrary lines in order to meet an apparent need. When two or more agencies, working simultaneously, each attempted independently to meet the same need, the effect on the family was such as might be expected. This was one phase of the lack of responsibility. Sometimes it took quite another form, when each agency, assuming the other to be responsible, let the family go entirely. From the point of view of the family it would be difficult to say which procedure wrought the most harm."

Duplication also existed in other fields of work. A number of cities in the middle west had two competing animal protective organizations. In practically every instance the second one came into existence because of internal quarrels in the original society, and the most bitter hostility existed between the two agencies. Social settlements were not always careful to locate themselves so that there could be no question of invasion of the territory of an older settlement. Clinics have not always hunted out a neighborhood remote from an existing clinic of the same sort.

Inefficiency

Another charge, which could be lodged against only a very few philanthropic agencies but which nevertheless carried a taint for all of them, was the rather large number of impostors appearing in the soliciting field. They were occasionally detected and the publicity attendant upon each such exposure raised a question in the minds of conscientious givers in regard to many of

the other enterprises to which they had given and concerning which they knew very little.

The final cause of unrest was a rather widespread belief that too many of the agencies were inefficient. Contributors in the business world complained of their business practices, and social workers with the modern point of view complained that many agencies were running on a basis of pure sentimentality without any penetration into the precepts of modern social science. Added to all of these things was a conception on the part of some of the public already interested, especially those who contributed but had no share in the management, that social work was rapidly becoming a public utility and as such needed some kind of public control. There was a vague feeling that the constant growth of miscellaneous philanthropies arising from impulsive sentimental motives was breeding pauperism; was undoing the work of the charity organization movement; and in some measure was casting a threat against the ancient American principle of the survival of the strong, and the necessity for self-support and self-respect in the citizenry. Some people thought that charity needed to be curbed and needed to be controlled in the public interest.

CHAPTER II

BEGINNINGS OF CORRECTION

THE coöperative movement in social work is merely another step in the process of organization that has been going on in that field and in other fields over many generations. When a group of women came together to form a society that would employ a nurse to go among the sick and poor, doing professionally those acts of neighborly mercy that our grandmothers did in an amateur way as part of their communal life, they were writing one more paragraph in the long story of organization. They brought individuals into the disciplined sustained union that is coöperation. It was one of the early stages of coöperative philanthropy. When enough societies of individuals had come into existence the next stage was to strive for the same disciplined union among the organizations.

Efforts to bring this desired union into the disordered processes of philanthropy were in themselves a slow evolutionary movement without an effective program over many years. For many reasons the charity organization society must be listed as the earliest of the series of modern efforts on this continent to correct through the coöperative process the faults of unrelated organizations.

In the forties and fifties of the last century a number of larger eastern cities organized general relief-giving societies usually called "Societies for Improving the Condition of the Poor." These societies enunciated

the elements of the philosophy upon which the system of modern case work rests. They proposed to find work for all who were willing to work, to investigate carefully those who applied for charity, and to restore dependents to self-support. They administered relief directly to applicants, a habit which their critics some thirty years later believed to be responsible for an inability to accomplish the great aims they had laid down for themselves. One commentator says "they sank into the sea of alms-giving." At any rate they did not make the impression upon the world of charity which their early promise indicated that they might; private alms-giving had continued to be general; and the work of numerous independent relief societies was thoughtlessly duplicative. Charity was given in doles too small to be of any great assistance, and beggars and criminals flourished. At the same time outdoor relief given by government was recklessly distributed and determined in no small measure by political exigencies.

The Charity Organization Movement

Consequently in the late seventies and eighties the movement to write these constructive principles into American charity was revived under the name of Charity Organization Society. London, England, originated the charity organization movement in 1868. Buffalo copied it in 1877, and was followed promptly by Boston, Philadelphia, New Haven, Cincinnati, Brooklyn and Indianapolis. In 1882, on the initiative of the State Board of Charities, the city of New York organized a similar society. The resolution adopted by the State Board shows clearly enough that the intentions of the founders of this movement included coöperation and correlation of charitable activities:

"WHEREAS, There are in the City of New York a large number of independent societies engaged in teaching and relieving the poor of the city in their own homes, and

"WHEREAS, There is at present no system of coöperation by which these societies can receive definite mutual information in regard to the work of each other, and

"WHEREAS, Without some such system it is impossible that much of their effort should not be wasted, and even do harm by encouraging pauperism and imposture, therefore,

"RESOLVED, That the Commissioners of New York City are hereby appointed a committee to take such steps as they may deem wise, to inaugurate a system of MUTUAL HELP AND COÖPERATION between such societies."

The first object named in the charter of the New York society gives additional evidence of the intention of its promoters to bring coöperation into the relationships of the then existing relief agencies of that city. It reads: "To be a center of intercommunication between the various churches and charitable agencies in the city. To foster harmonious coöperation between them, and to check the overlapping of relief."

Warner, who is an excellent chronicler of the early years of this effort, says: "Taking up seriatim the objects and methods of the Charity Organization Societies of the United States, it may be seen that the fundamental thought is the coöperation of all charitable agencies of a given locality, and the best coördination of their efforts. In order to secure this, it is usually requested that the societies, so far as practicable, furnish records of the relief work done by each, so that

the accounts may be compared and the overlapping of relief prevented. This clearing-house function of the Charity Organization Society is the first and perhaps the most fundamental one, and the one most clearly stated in the name which the societies adopted. Yet efficient coöperation in this matter on the part of all relieving agencies has been one of the most difficult results to secure."

The charity organization movement did a world of good. It penetrated the American consciousness, and set up there the thought of caution in relief distribution, preference of the case work system over almsgiving, and of the need of coöperation among all agencies. It absorbed into itself many of the small relief-giving groups and came to dominate with its new ideals of investigation and reconstruction most of those that survived its absorbing habits. No more useful or vital force has ever come into American philanthropy. But it was ahead of its time in any ambition to be the chief coördinating factor of the whole field of social work. In this respect, after all, its main quest was organization of the chaotic and destructively disorganized field of relief; and in the difficult mastery of this it won a permanent place in the sun, even if in so doing it fell into that error of its predecessor against which its own sponsors cried out, the actual dispensation of relief. While its time was taken up with organizing the field of relief, other movements for attacking other problems came into being, many of which is promoted itself and converted into separate societies; and old organizations were stimulated by the humanitarian renaissance into great new advances.

So the time came when the charity organization

movement for the most part vacated its claims to the throne of general coördination, and settled down in the family welfare field, partly as the protector of the American ideal of self-support and self-respect, and partly as the refiner of all those processes which go with the rehabilitation of dependent families.

The Confidential Exchange

In passing we should note one bit of machinery produced by the charity organization society for the prevention of duplication and for the facilitation of coöperation which has persisted, and which more recently has been transferred to the new community federations in an increasing number of cities. It is the charities clearing house or confidential exchange.

This piece of machinery illustrates clearly how the conception of social workers and social agencies differed from that of the business world in approaching the problem of coöperation. The attempts of the former at correction, unlike the attempts of contributors, have always shown a jealousy for the continued autonomous life of the separate agencies, which made for a habit of correcting the abuses through a voluntary use of mechanical devices developed within the system of agencies as they existed, rather than through the establishment of any overhead instrument which might actually threaten to absorb the organizations into some outside and more dominant group.

Charities clearing houses grew out of a recognition by the charity organization societies that they could not expect to control all of the investigation and case planning for all relief-giving or case-working agencies: and the hope nevertheless that everyone might be broad-minded enough, and zealous enough for sound work,

to use voluntarily a mechanical device by means of which they would learn of the interest of others in families or individuals, and plan jointly the treatment of those in trouble. Early in its career the Boston Associated Charities proposed to the other charitable agencies of its city that a clearing house should be started to which each agency would report each day those persons or families coming to its attention; and which in turn would report back to the agency any other organizations entered as being interested in that family. A simple device without any authority, merely a means in the beginning of finding out whether duplication of work existed, it was a confidential bureau of records with just enough information compiled to identify an applicant for help and those dealing with it.

The scheme spread and came eventually into almost universal adoption by cities having numerous agencies. Without doubt its existence has helped largely in preventing duplication of work with dependents; and without doubt a more general and more intelligent use of it by social workers would prevent a good deal more. More important yet, it has made possible real coöperation where it is desired between agencies or workers who are engaged in different phases of the treatment of the same family when the existence of more than one agency has not meant an actual duplication of the same service. But at its best it is a complicated piece of machinery which a less cumbersome scheme of organization than exists would not require; and this fact plus dependence for its greatest success upon a fair degree of intelligence and a real devotion to a high standard ideal in all agencies eligible to its use has detracted from its largest possible accomplishment. Human organization has to be simple indeed to

get the best results; and the very existence of the charities clearing house is a concession to the continuance of complexity.

Joint application bureaus such as those maintained in the United Charities Building in New York, and in similar buildings elsewhere, another type of coöperative instrument tried here and there for the control of duplication and for economy of time and effort in the distribution of work, are more direct cures, but of limited scope. The name is an apt description of such bureaus; a single office maintained jointly by more than one agency where those seeking help may be interviewed and sent to the operating agencies according to rules previously accepted among them. As practiced the use of these bureaus is confined to organizations housed under one roof. They have been incidental conveniences in a few places, and have not had any particular influence upon the growth of the coöperative movement.

Endorsement Bureaus

After the charities clearing house the next scheme generally adopted to solve some of the difficulties arising from a multiplicity of organizations was the endorsement bureau, the impetus for which came from givers rather than from social workers or social agencies. Its origin was in that growing feeling on the part of those who contributed, but did not manage, that social work not only owes an obligation of service to the poor and the distressed, but that it also should be accountable to the general public, at least its contributing public, for its operating efficiency, economy, honesty, and usefulness.

To put the matter in another way, social work is a

public utility, a service for the public; and if it is to be carried on under private auspices, it should be willing to give to the public ample assurance that the service will not be wasteful, will not consume its resources in internal machinery, and will not be destructive of elemental American ideals. The habit of creating social agencies by impulse, of seeing separately the sick poor, the dependent family, the orphan child, the wayward girl, rather than social work as a whole, as we see the educational structure as a whole, makes it difficult for many administrators of social agencies to get this point of view. The attitude of mind that brings churches, fraternal organizations, women's clubs and lunch clubs to engage in some charitable enterprise, merely to create interest among the membership, to prove to themselves and to the public that they are useful, or to have something to which advertising may be attached, prevents many well-meaning persons from grasping the obligations philanthropy owes to the public to be useful rather than dilatory or destructive. Social work is too often seen as a process of doing good in which anyone is free to participate; and participation on any terms as *ipso facto* so nobly commendatory that no accountability is necessary. To some there is a note of religious sanction, a sublimation of sentiment about the enterprise, which exalts it above any need of mundane accountability. And of course there always has been, and probably always will be, a residue of insincere and dishonest solicitors who graft upon the tree of charity.

Howard Strong, in describing the interest of the Cleveland Chamber of Commerce in endorsement work, put the case upon which the movement was predicated very well: "The Chamber has, in its rela-

tion to the charity of the city, assumed as a fundamental principle that the charity which receives its support from the public is, in a sense, a public institution, and that the public has a right, and a responsibility, to know its methods and to demand its conformity with an accepted standard of efficiency. As fundamental principles for an effective scheme of municipal charities, we have insisted upon efficiency, nonduplication, coöperation. The committee on benevolent associations takes the position that all social needs are component parts of the same general problem, that each effort to meet these needs has its particular responsibility and its relation to all others."

The establishment of this Committee on Benevolent Associations by the Cleveland Chamber of Commerce, in 1900, was the beginning of the attempt on the part of givers to bring order into the field of disorderly philanthropy through their own voluntary associations, and to guarantee to themselves that their contributions would be used to their own satisfaction. Other commercial organizations followed suit. The Charities Endorsement Committee of San Francisco was organized in 1902 by a committee representing both contributors and charitable agencies. Three commercial organizations in Seattle combined in a charities endorsement committee in the same year; and one after another many of the chambers of commerce throughout the country took up the movement. In the meantime thoughtful charitable agencies aided and abetted the endorsement scheme by acting in a somewhat similar capacity themselves. The Bureau of Advice and Information, formally organized in 1905 by the New York Charity Organization Society to facilitate a service that had been rendered informally by the

Society for many years, is worthy of special attention, because it shows how the whole problem of endorsement has been approached differently by the charitable agency and the commercial association. The Bureau of Advice and Information in New York merely examined the work of agencies when it was requested to do so by one of its own contributors, and submitted to the inquirer a full confidential report of the facts it had discovered without either endorsement or recommendation. These two conceptions within the movement present in sharp relief the different attitudes of social agencies and of contributors in trying to solve the same problem of an irresponsible philanthropy.

The commercial associations, standing militantly for their principles of efficiency, non-duplication and coöperation, undertook to make them effective by insisting that the agency securing their endorsement should live up to definite requirements. In the course of time nine standard requirements were worked out and generally accepted by them:

Organizations should be incorporated.

Reports should be published.

Accounts should be audited by public accountants.

The administrative committee of the organization should meet at least quarterly.

Funds should be collected according to methods approved by the endorsement committee.

Plans for new societies should be reviewed by experts.

New organizations should fill a need not already well filled by an existing organization, and not capable of being thus filled. This need should be relatively great enough to warrant the equipment and support of a separate organization.

Organizations should agree to coöperate with other charities and philanthropies in promoting efficiency and economy of administration among the organizations of the community, and in preventing duplication of effort.

Organizations engaged in relief work should use the confidential exchange.

In its early stages the Cleveland committee's operations were confined to a personal investigation of each organization, and to securing a report disclosing in detail the essential facts concerning it. To those agencies meeting the committee's standards a card was issued, authorizing them to solicit, and usually fixing the amount of money which they needed to secure from the public. As time went on, and the committee became familiar with its work, it began to urge members of the Chamber, and of the public at large, to contribute only to those organizations having its endorsement. Finding that this had little effect, it undertook a campaign of education. Whenever a contributor was discovered who had given to an unendorsed agency he was called upon, and the reasons why the agency had not been endorsed were explained to him together with the purposes of the committee. Circulars were also issued and the newspapers were used to disseminate educational matter.

After a time the endorsement became reasonably effective, and anyone collecting funds in Cleveland found it advantageous to secure the committee's sanction. From this step the endorsement committee began to require evidence that the standard of efficiency was gradually improving each year, before renewing its endorsement. It also singled out for particular attention those agencies whose management or whose

program was not entirely satisfactory; and by conference and studies eventually secured a reorganization of a number of them, and a general improvement of the standard of conduct. From this point the Cleveland Chamber of Commerce through its Committee on Benevolent Associations began to formulate its program which culminated in a federation of charities and philanthropies.

The development of the committee's work in Cleveland, covering a period of thirteen years before the creation of the federation, was cautious and slow, and carried on with great skill and human understanding. Although it exerted pressure in raising standards, in endeavoring to prevent duplication of effort, and in building a spirit of coöperation, that pressure was never obnoxious: and, eventually the social workers and the social agencies came to look upon the committee as a useful adjunct to their own labors, and a friendly aid to help them out of difficulties.

Criticisms of Endorsement

Outside of Cleveland the methods employed were watched askance by many social workers and people active among the agencies. They came in for their share of criticism in the discussions of the day. This opposition revolved around two central thoughts. The first was a fear of any body of men outside of the social service structure who possessed such great influence and wielded it so directly. It was said this power placed an endorsement committee in a position to become autocratic and dominant. When a condition was created that made it necessary for a new social movement to be approved in plan and principle by such a com-

mittee before it could receive public support, there was danger that experimentation and initiative would be thwarted. In the nature of things endorsement committees must be conservative.

The second danger feared was that it would increase perfunctory giving. It was thought than an endorsement card was not a certificate of excellence, or even a warrant that the agency held to a high standard of work. It merely guaranteed that a minimum standard had been achieved. Such a dead level of endorsement was not sufficient, because the giver would accept the committee's approval as final without further inquiry into merit over and above the minimum. This would mean that those who were most energetic in seeking funds would gain support, and those who were not active would lose. Any tendency to give without full inquiry had to be combated and supplemented with broader educational methods that would teach intelligent discrimination.

Nevertheless the plan thrived in Cleveland; and at the end of ten years the Chamber reported that over five hundred fraudulent and semi-fraudulent solicitors had been eliminated; seventy-five undesirable institutions had been prevented from gaining a foothold in Cleveland; and the amalgamation of fifteen organizations that had previously been overlapping had been promoted. These are rather extensive claims, and it is doubtful if they could have been entirely substantiated if they had been challenged. At any rate, it would have been difficult for the endorsement committee to have proved that much of this would not have happened without it.

Somewhat later in Chicago a so-called "white list" directory of the endorsed charities was widely distrib-

uted, and an effort was made to reduce the demand for the endorsement card by urging subscribers to consult the list when asked for donations, and to pay by check rather than to give cash to solicitors.

Another departure in the endorsement field worth noting was an attempt by about a dozen municipalities to make endorsement an official act of the city government. The Board of Public Welfare in Kansas City, Missouri, exemplified this effort notably for a time. This Board examined and endorsed charities in much the same manner that has been described already, and published a directory of endorsed charities, sending it to members of the commercial club and to other influential citizens. Its report for 1912 stated that nine organizations which failed to meet the necessary standards had ceased their activities in Kansas City. At that time it thought the positive side of its work in consulting with directors of the various agencies and urging improvements was of much greater value than the negative side of eliminating unworthy organizations. For a period this work flourished. Then politics disrupted it, and its bright promise faded out. Endorsement by municipalities, outside of this brief and brilliant period in Kansas City, cannot be regarded as having been at all successful. Municipal officers, conscious of the power of the law, were not inclined to use the tact and patience which such endorsement committees as that of Cleveland were compelled to exercise because of their lack of authority. Too vigorous enforcement brought a court case in the far west, testing the right of municipalities to deny licenses to charities, and it was decided against the endorsing powers of the municipality.

Influence of State Boards of Charities

State Boards of Charities for many years have exercised some sort of endorsement function. Massachusetts offers the outstanding example. In 1910 a statute was enacted providing for investigation by the State Board of Charity of all applications for charitable charters; other statutes required an annual inspection of all incorporated charities, and a yearly financial report from each. Failure to return a report for two successive years was ground for dissolution. These laws were based upon a well-established legal theory that private funds given for the benefit of the community are a public trust; and that persons acting as trustees of such funds are accountable to the sovereign community benefiting. Much good resulted in discouraging dishonest and insincere persons and groups from incorporating as charitable agencies; and no doubt in Massachusetts considerable influence has been wielded in raising the standards of the inefficient. On the whole, however, looking America over, state boards of charity, or of public welfare, have not exerted themselves in the larger problems of reorganization of private philanthropy.

Besides, there are limitations to the results accruing from any scheme of endorsement whether public or private. The cases of Massachusetts and of Cleveland are not typical. Very few chambers of commerce ever wielded the influence in their communities that the Cleveland Chamber of Commerce wielded; and very few endorsement committees ever existed which paid such conscientious attention to their business as the one in the Cleveland Chamber paid. In most places therefore, endorsement has been chiefly effective in

making it difficult to use the cloak of charity for dishonest or insincere soliciting schemes. Great obstacles exist for any larger success. In the first place the general conception of the giver already outlined does not always prevail. There are many givers who do not really care about the quality of the work, or the wisdom of the work of the agencies. Giving is a complicated business, prompted by a medley of motives. Something of social prestige enters into it; something of social pressure; something of self-expression; something of business advertising; and something of the human incapacity to say "no" to a request for help; as well as the nobler conception of efficient generosity, and sympathy, and public service. So it has always been possible, given the right group, the necessary prestige, and the necessary selling ability, for the most socially incompetent agency to raise money in spite of the endorsement method. Human initiative when harnessed to enthusiasm and ability will always overcome any negative advice to the public about it.

It is difficult also for every giver to use the endorsement machinery whenever an appeal is made. Like the confidential exchange it is a cumbersome instrument, too complicated in its application to arouse the lazy instincts of normal mankind. Furthermore, there were faults within the system of social work, growing out of the actual existence of so many small administrative units, which neither the endorsement committee nor the confidential exchange could correct. The cost of raising money on a competitive basis was too high. The increasing number of agencies were unable to sell themselves to the public fast enough to secure the necessary income to meet the cost of expanding work. An improbability existed that any group

of business men belonging to a chamber of commerce could take the time or have the skill to do those things necessary to improve greatly the quality of the work of the existing agencies. So this movement, although very useful, was not an adequate solution of the difficulties which confronted the organization of social work in the early part of the twentieth century.

CHAPTER III

COUNCILS OF SOCIAL AGENCIES AND OTHER FUNCTIONAL GROUPINGS

THE twenty-five years from 1890 to 1915 saw not only a greater lateral expansion in social work than all the previous history of North America, but also a deepening of the conceptions of constructive and preventive philanthropy. The growth of wealth and leisure and of scientific knowledge, and the overflow of ethical impulses from the vessel of a church rocked with the throes of theological questioning, all conspired toward the launching of a number of new major movements in social work, which took shape in numerous new organizations. In the middle of this period, while the growth of agencies was going on apace, the demand for more satisfactory processes for combination and coördination became insistent enough to prompt the managers of the agencies themselves into action. One of the most important plans so far conceived, which has had a profound influence upon the evolving structure of coöperative philanthropy, took shape in the so-called council of social agencies.

Leaders in the charity organization field were responsible for the first impetus of the central councils. Several of these associations were organized in the larger urban centers toward the close of the first decade of the twentieth century, and came eventually to occupy an important place in the community program

of one after another of the leading cities of the country. The council movement, like the charities clearing house, originated with social workers, and shows again how their approach to the problem of coöperation and coördination has differed from the approach of the contributor. Jealous of the rights of agencies and of workers, it set out to influence the structure of social work by the counseling together of volunteers and professional workers already at work, who were to arrive at common agreements and understandings through round table discussions.

Purpose of the Council

The council of social agencies, as its name implies, is a mutual association of social work organizations and of civic agencies. It is designed for the joint consideration of common problems, for the introduction of better work standards, for the planning and formation of new social enterprises, for united action on matters of common interest, and for the development of general coöperation in a community. The standard form of organization provides that each agency admitted to membership shall appoint delegates, generally two in number, usually one a board member and one a professional worker, to seats in a general council. This council has legislative and policy-shaping duties, with only such powers as are delegated to it by the membership, those powers seldom carrying any grant of authority over the actions of the agencies. It elects its own officers, an executive committee, and such other committees as may be needed to carry on its activities. Its method is the conference method, plus the survey method, plus general consultations of different people interested in the same thing. These designs of organi-

zation and of procedure have prevailed in the main in all of the councils that have existed. To be sure there have been minor variations, such as actual membership by a department of government with full voting rights, or *ex-officio* representation of public departments in the council without voting rights; such as admission or non-admission of chambers of commerce, city clubs and women's clubs to active membership; and such as the selection of members at large for seats in the general council.

Major Emphasis

Councils have been created in Chicago, Boston, St. Louis, Los Angeles, Detroit, Cincinnati, Columbus (Ohio), Pittsburgh, New York, and many other places. The major emphasis made by all councils of social agencies has been upon the improvement of service standards. This is easily understood when one realizes that the leadership of the councils has been contributed invariably by social workers or volunteer associates of social workers, whose interests were largely in the development of the technical processes of social work. Their daily experiences with the various agencies and workers of their communities have brought them into a full realization that the work of the least of the family of organizations knits closely into all the others and affects the work of the others for better or for worse. Interrelations are numerous, and what one does or what one aims to do is of general concern to all. A good method of work efficiency carried out, or a poor method indifferently done, helps or hinders the work of another agency, and influences the public attitude toward all alike. Morever the methodology of social work changes. It is a living progressive thing, that

outwears insufficient ways and replaces them with new means amplified by new knowledge. So progressive social workers have tried, by grouping themselves together, by interchanging knowledge and practice, and by pointing out in friendly conference the advantages of better methods, to attain necessary progress in general methods. It is said by the council advocates that individual agencies feel the spur of this mutual planning of detailed surveys, and that their open-mindedness and ambition to improve is greatly stimulated by group discussions.

Filling the Gaps

A second emphasis notable in this type of cooperation is upon "filling the gaps." Group consultation, and the growth of group coöperation, discloses vividly the absence of organization for the solution of some aspects of problems. The functional committees and the delegates of councils of social agencies become automatically the broadcasters of these weaknesses in the general scheme of service organization. It has even been claimed that when working through a council of social agencies they unite upon an intelligent and comprehensive program of promotion for the filling of these gaps, arranging the time when each may be promoted without conflicting with the others, and creating enough pressure of public opinion to delay less necessary ventures in social promotion.

The development of the council of social agencies plan and the development of the financial federation plan, to be discussed in later chapters, have been largely contemporaneous. Although many of the people interested in the growth of the one have been interested in the other, there have also been special advocates for

each who looked askance upon the other, who set up distinctive claims for their exclusive choice. The advocates of the council of social agencies have particularly emphasized its lack of authority, and the necessity for joint action by the separate boards of the respective agencies engaged in any communal undertaking. They have a fear of coercion from some more closely centralized authority with true power, and believe it is possible to bring the light of public opinion to bear upon recalcitrant agencies without surrendering any of their own control over themselves. They believe greater, if less speedy, results come from agreements reached by discussion and ballot than by any dominating leadership.

Fear of Coercion

This conception of the council of social agencies, expressing a great hope for the results that may flow from mutual planning and joint action, and at the same moment an equally deep jealousy for the independent autonomous management of each agency member by itself and for itself, was usually characteristic of councils in the early years of their existence before the agencies learned to trust one another and the contributing public. It is an attitude closely analogous to the medley of fears and hopes that characterized the old confederation of the states preceding the adoption of the federal constitution of the United States. Mr. Francis H. McLean, one of the spokesmen for the movement, expresses this reticent hopefulness:

"The craze for amalgamation and consolidation is in the air. Therefore it is that many worth-while agencies, in the knowledge that they are doing an individualized work which by amalgamation would be simply

stamped out to a drab, unindividualized uniformity, will at first glance look with suspicion upon the idea of a central council. They are fearful that it is another one of the familiar schemes, or in other words that somebody or other or some group of somebodies is trying to swallow the whole, and their own work makes them quick to fear such swallowing.

"Sometimes people are inclined to sneer at this loyalty to a particular agency. They say that people are interested in some pet work rather than in social work as a whole. Oftentimes the scoffers are themselves thinking simply about abstract consolidation, amalgamation, elimination and nothing else. That is their hobby. That is, they are as lopsided in their thinking as is anyone else. As a matter of fact, all there is of the best in social work, as well as some which is of the worst, owes its existence to loyalty to particular agencies. There would be no social progress without it—even though a few sublimated souls do profess to think in terms only of the whole community, without any loyal interest in any particular work.

"Now it is evident that in the central council scheme there is nothing which should make fearful those who are loyal to particular agencies, provided those agencies are really rendering a decent service. Nay, rather will a central council tend eventually to increase the understanding of the work done by such agency, on the part of all of the agencies in the city. The mutual benefit resulting from this increased understanding should be pointed out to timid doubters. But there is another reassuring safeguard. The constitution or by-laws should expressly state that the central council does not propose to make its decisions binding upon member agencies, but rather any recommendation affecting the

work of a given agency must be approved by the board of that agency before it becomes effective. A central council cannot dictate; although of course, if it is wise in its recommendations, thereby gaining the confidence of a community, boards of agencies will be inclined to think long and carefully before refusing to carry out its recommendations. In short there is nothing acquisitive about a central council. It does not want to swallow anything, nor could it if it wanted to. Rather its whole tendency is to make freer and fuller and more valuable the work of each agency. Therefore even the most loyal supporters of a worth-while agency, or one that can be made worth while in a new scheme of things, should be likewise loyal supporters of a central council."

Originating as it did with people who were wholeheartedly devoted to an improved technology of social work, and literally stopped by its administrative inhibitions from following channels that led toward structural reorganizations, the greatest products of the movement have been an improvement of the quality of human service rendered by its agency membership.

Some Achievements

In the three years between 1913 and 1916 the Council of Social Agencies of St. Louis conducted what it called a self-survey of all its agencies. From a great mass of material it worked out and proposed to its constituency a coördinated program of social work that, up to the time of the conversion of the old council into a financial federation, was the central theme of its existence. It had committees on employment, legislation, health, neighborhood, adult delinquents, children, and family treatment. Subcommittees within these

committees reviewed the work of the agencies in their fields. With the results of these inquiries as a point of departure, the progress of the different agencies in bettering their methodology and adopting comprehensive programs was gauged in comparison with similar activities throughout the country. Standardized practices were then promulgated which were eventually approved by the Executive Committee. Later a more exhaustive survey of the agencies was made by a professional worker from without the city. From all of these labors a program was finally formulated for the field as a whole.

In 1920 it was stated that the Council of Social Agencies of St. Louis had several notable achievements to its credit. A new and active board, and a trained social worker as superintendent, had been secured for a negro institution previously incompetent; and a placing-out system had eliminated its old firetrap of a building. Another children's institution that would have been founded along old-fashioned lines was induced to adopt modern standards, including the cottage system and the employment of a trained worker as superintendent. An unnecessary and badly run institution was forced out of St. Louis. In less specific terms it was said there had been a steady general improvement all along the line of children's agencies. The problem of admission and discharge of children was studied, and a central children's bureau suggested. General development in all fields of work was supposed to have been advanced because of the council's activities. Some councils have also managed joint undertakings. In the winter of 1917-18 the Chicago council conducted a publicity campaign for the home charities. It made studies and issued reports on things of mutual interest

to its agencies, such as: "Publicity and Financing for Social Agencies," "The Chicago Standard Budget for Dependent Families," and "Volunteer Social Service in Chicago: A Review and Plan for Development." Development of volunteer service found emphasis in a number of councils. The council in Milwaukee, before being absorbed by the federation, took a very active part in state legislation for social progress and also in the establishment of new agencies. In Cincinnati, at the same time it was promoting a financial federation, the council secured legislation creating Hamilton County's remarkable Court of Domestic Relations, and did some active work toward old age pensions. The Minneapolis council pushed the development of child welfare legislation.

A very recent council of social agencies has been organized in New York City under the name of Welfare Council. The movement, which had been under discussion for some ten years or more, culminated in 1925 when *Better Times,* a magazine devoted to social problems, presented prizes to several persons for the best drafts of a plan for coöperation in greater New York. Out of this grew a Committee on Coördination, which in turn created the Welfare Council. Various forms of coöperation already existed in the city in considerable numbers: Jewish federations; a Catholic federation; functional federations, such as the United Hospital Fund and the Federation of Day Nurseries; and neighborhood coöperatives. There was nothing, however, that knit the great mass of agencies together for city-wide union of any kind.

The Committee on Coördination proposed a scheme of organization which should have four objectives: (1) better factual basis for community planning; (2) bet-

ter team work among the social agencies; (3) better standards of social work; (4) better support of social work. A board of directors of from sixty to seventy-five members was to be selected, representation being in three classes. Nine were to be *ex-officio* members, chosen because they presided over departments of the city government concerned with humanitarian work. Half of the remainder were to give representation to the "existing coördinative associations, the racial and religious financial federations and the philanthropic foundations, and to social work at large with particular reference to the major fields of social work which are to be embraced, respectively, by the functional divisions of the council, later to be organized." Twenty-four of these representatives will eventually come from the four functional divisions whenever they are organized. The third class were to represent the public, and were to be chosen by the directors from persons interested in social work. An executive committee chosen by the directors and a staff were to carry on the administrative work.

This organization is still in its formative processes as this manuscript is completed. A good deal of research work is under way; agencies are being classified for functional grouping; and one functional group, that on family welfare, is in the process of formation.

Limitations

In spite of large achievements, experience has shown that there are very definite limitations to the accomplishments of councils of social agencies when operating as the sole coöperative influence in a community. In the first place, with rare exceptions they have not been

able to command enough financial support to engage a regular staff to give the necessary impetus to their work. Contributors as a rule have not believed in their efficiency with sufficient enthusiasm to give generously to them: and the constituent agencies have been either too poor or too indifferent to support them. The early councils in Cincinnati, Columbus, Chicago, Boston, Minneapolis, New Haven, and just recently Pittsburgh and New York, have been the only ones to have budgets large enough to do anything other than by volunteers. In the next place, depending exclusively for cohesive power upon the desire of the social agencies to coöperate, the limit of their ability to make progress is naturally set by the general average vital urge of all the agencies toward coöperation. The improvement of quality in the work of the agencies is controlled by the same limitation. Like the endorsement committees and the confidential exchanges, the councils of social agencies have accomplished results that are well worth while; but on the whole, when unsupported by other coöperative machinery, they have not shown the necessary power, or the necessary cohesive strength, to influence those fundamental faults about which the givers of our communities have clamored. It is indeed noticeable how one council of social agencies after another, after struggling with the task before it, has turned eventually to the financial federation as a supplemental power for reaching its ultimate goal. The Council of Social Agencies in Cincinnati, after two years of existence, adopted the financial federation. The councils in St. Louis, Minneapolis, Columbus, New Haven, Detroit, and in several other cities have promoted financial federations in their cities. Even

the Boston and Chicago councils, where the difficulties are admittedly great, appear to be fascinated with the possibilities of central financing, and both of them, as we have already indicated, are studying it intently.

The flaw in the council of social agencies plan, unsupported by some more cohesive strength, is largely an administrative one. It is the same flaw that has appeared so often in all sorts of coöperative adventures in America. This country has a talent for administration and organization. Its success is predicated in no small measure upon the disciplined harmonious union of many specialists working under a central administrative control. The specialists, absorbed in their own undertakings, rely upon other specialists, administrative ones, to knit them together and manage their united product. Many of our coöperatives have not been willing to yield this administrative control. Management becomes everybody's business; and what is everybody's business is not done. So with the pure council-of-social-agencies idea. It shuns administrative control. An overwhelming majority of these philanthropic coöperatives have eventually learned the lesson, and turned to financial federations to cure this defect.

Variations of Council Plan

So far we have dealt with councils of social agencies which are city-wide in the scope of their membership. Organizations exist representing the same general conception which are both more inclusive and less inclusive than city councils. In one or two states, notably Ohio and Georgia, state councils of social agencies have accomplished some results. The movement has never been general, however, and is beset with greater difficul-

ties than the movement for local councils. Conference meetings, upon which these associations depend so much for their progress, are far more difficult to arrange.

Organizations based upon the central conception of the council of social agencies that are not inclusive of all community activity are of two varieties: the functional federation of agencies at work in the same field in the same locality; and groups of agencies coöperating together on the basis of neighborhoods or locality and not on the basis of function. The first variety is illustrated by the federations of settlements or neighborhood houses that exist in many of the larger cities. The United Neighborhood Houses of New York, composed of nearly fifty neighborhood houses and settlements, is an example. It was created to foster coöperation among these institutions and to eliminate duplication in the various communities or districts. Any organization engaged in this type of work in New York or vicinity is eligible to membership. It has been very active in forwarding the interests of its groups. Another example is the Association of Day Nurseries of New York, a conference group of about sixty day nurseries. Its objects are to establish and maintain standards of work for day nurseries, to encourage the education of mothers, to make surveys for the nurseries, and to encourage the day nurseries to coöperate with the various welfare agencies in their neighborhoods. Only those nurseries meeting definite standards of conduct are admitted to membership. New York City has had at one time or another upwards of twenty such functional organizations representing a wide diversity of social work types.

The second variety of coöperative associations, that which is limited to a geographical section of a metropo-

lis, finds an advanced expression also in New York, in the East Harlem Health Center, which was originally a post-war effort of the American Red Cross to bring together under one roof the local units of more than a dozen health and welfare agencies, several neighborhood organizations, and bureaus of the city health department. The announced purposes of this center were, "to demonstrate the methods and value of the coördination of all health and kindred activities in a defined local area, and the establishment of such additional agencies as are needed to make a fairly complete health program for the district."

An area was selected in East Harlem, four and a half miles in extent, covering eighty-seven city blocks, with a population of 112,000 people predominantly foreign in extraction, and mostly laborers' families. Housing conditions were below the average for New York City, and mortality rates about the average.

Twenty-two agencies joined in the experiment. A local council, made up of representatives from participating agencies and representative citizens both from the local district and from the city at large, is the controlling factor. The first move was to collect exact sociological data concerning its neighborhood. Among other things the discovery was made that the accident mortality rate was more than twice as high as for the city at large. To cope with this, better traffic regulation was secured, and more play space. Certain parts of the northern fringe of the district disclosed an especially high infant mortality rate. So a babies' dairy located in the center of the territory was moved closer to those blocks. A vigorous attack on tuberculosis in a few years brought 54 per cent of the known cases under treatment as against 39 per cent before the co-

operative move was undertaken, and reduced the number of deaths annually. After some time an increase of practically 100 per cent was secured in health services at an increased cost of only 34 per cent. New health clinics, a health information bureau, and a vacation clearing house were added to old services. An aggressive, distinct, wide health education program of lectures, classes, exhibits, and a house to house canvass, spread health knowledge effectively.

CHAPTER IV

EARLY FINANCIAL FEDERATIONS

CONTEMPORANEOUSLY with the various movements toward a better system of philanthropic administration described in the previous chapters, another idea, the financial federation, attracted attention in isolated places. In 1873 some interested people in the city of Liverpool, England, made a study of the contributions to thirty-eight leading charities, discovering that they were being supported by about 6,600 persons, although it was estimated there were 20,000 persons capable of making contributions. Only one-half of the contributors were giving to more than one agency; and only 16 per cent were giving to more than two agencies. A plan was developed whereby a number of the charities were prevailed upon to make their appeals through one office and on one pledge sheet. Every succeeding year a group of the charities sponsored by the central committee as worth helping was presented to the public on a prepared list. Each subscriber set down upon this list the amount of his contribution, dividing it among the charities as he chose. An undesignated discretionary fund was also suggested for the central committee. The organization was in the nature of a mutual protective society for contributors. It did not engage in the practices of modern federations, such as budget making, central accounting and attempts at standardization. By 1877 there were eighteen participating agencies and £4,647 was raised for them. By 1892

the number of agencies had risen to ninety-eight and £25,899 was raised.

Denver the Pioneer

A few people in America who were thinking about the necessity of moving on to new stages of social service organization watched this movement with interest. At the international congress of Charities, Correction and Philanthropy held in Chicago in 1893 Professor Francis G. Peabody delivered an address on "The Problems of Charity," in which the Liverpool system was cited, and a plea made for the adoption of a somewhat similar plan in America. In the meantime the first earnest attempt to bring about correlation through central financing on the American continent had been made five years before in Denver. Partly because this Denver organization persisted through many vicissitudes, and partly because it presaged a unique approach to a correction of the chaos in philanthropic endeavor which was eventually to dominate attention up and down the social service world of English-speaking America, the Denver plan deserves close observation.

In the closing months of 1887 four ministers, two Protestant clergymen, a Jewish rabbi and a Catholic priest, joined forces in promoting an institution which they named the Associated Charities of Denver. These gentlemen called a public mass meeting in a theater, and there before a crowded house launched their project. The objects of the new organization, as set forth in its first governing rules, included the following: a general purpose to promote the welfare of the poor, the suffering and friendless in the city of Denver; the promotion of cordial coöperation between benevolent

societies, churches and individuals; the maintenance of a body of friendly visitors to the poor; the provision of temporary employment and industrial instruction; the prevention of imposition, and diminution of vagrancy and pauperism. Twenty-three agencies were brought into affiliation and $20,000 was collected for their support the first year.

Unusual interest was demonstrated by the citizens of Denver in the early annual meetings. The first, held in November, 1889, at the Tabor Opera House on Sunday, was crowded from floor to ceiling. The stage was occupied by representatives of every organization in the city, business men, lawyers, ministers, and public officials. The Catholic priest who had been one of the instigators, speaking upon the occasion, said: "Unity is necessary. There is no Christianity in church work where narrow-minded prejudice exists. I extend the hand of cordiality to all other denominations in this grand united work of charity." This sounds as though it might have been voiced at the annual meeting of a modern community chest where the breaking down of sectarian jealousy through joint action in philanthropy is held out as a major accomplishment.

No Immunity Rule

Several things are notable about the early period of this federation. In the first place, it did not raise all of the money necessary for the support of its affiliated societies. Our latter day immunity rule was not observed, and each of the agencies had sources of revenue other than earnings and appropriations from the federation, such as dues, donations, receipts from charity balls, receipts from ball games and church collections. The Ladies' Relief Society, for instance, spent over

$10,000, and received from the Associated Charities approximately one-half of this. The Day Nursery had an income of about $1,800, all but $650 of which it got from other sources than the Associated Charities. Another thing distinguishing the early Denver society from its more recent counterparts is the fact that it carried on a considerable volume of social service work itself, undertaking not only to raise money for its affiliated groups, but to act in a general capacity of family welfare agency. This first Denver attempt savored much more of the charity organization movement, then attracting wide attention, than of the later federation idea. It aimed to carry out directly the purposes of the founders of the charity organization society; and it went most of its prototypes one step better by bidding for control of the charity field through central funding.

In structure it was a chameleon, changing rather rapidly, four constitutions having been adopted by 1892. The nearest analogy in present-day structural organization would be a cross between a council of social agencies and a charity organization society. Even that is not strictly exact, as it had a multitude of *ex-officio* members, including the mayor, the ministers of all churches, the sheriff, the chief of police, and the chairmen of the Board of County Supervisors, Board of Health, and State Board of Charities. These gentlemen with others made up an advisory council which nominated each year five trustees, each for a three-year term, making a board of trustees with fifteen members who took charge of finances.

Hard Going

By 1892 the flush of enthusiasm with which it had been launched was gone. The institution was jogging

sedately along at a reasonably satisfactory pace. Several organizations had dropped out, and but fifteen benevolent societies remained coöperating with the Charity Organization Society, as it was now named. Those that had disappeared from its list had never been recipients of money. A phrase used by the secretary in his report, "many different societies *each preserving its autonomy* are banded together," is pregnant of a later day when a new generation defending the growth of federation against hostile assault was vigorously proclaiming the autonomy of the agency members. As we look back at the Denver history, and then review the growth of our organizations to-day, agency autonomy is seen to be scarcely a matter for debate. It is guarded with such zeal that it has become an inviolable unwritten tenet of the federation scheme.

The report of this same year states that the accounts of agencies had been properly audited and that the "registration of cases is complete and exact." Altogether the fifteen agencies used about $40,000, of which $24,000 was supplied by the Charity Organization Society. The president of the trustees speaks like a Moses of our more recently established publicity departments. He says: "Instead of fifteen societies sending out fifteen solicitors, one annual subscription made to this Association meets the demand and those who subscribe have a guarantee the money will be carefully and properly distributed." We get also in this year a picture for the first time of how the money was raised, of the number of subscribers and the size of some gifts. Fifty-seven volunteer committees averaging two or three men were organized by trades for solicitation. Among them were committees for banks and bankers, for lawyers, for tea, coffee and spice mer-

chants, and for liquor dealers. Givers numbered seven hundred and twenty, the largest gift being $694 and the smallest fifty cents.

Then came the great panic of 1893, so disastrous to the west and in particular to the mining industry of Colorado, and the federation was rocked to its very foundation. Only two hundred and eighty givers were secured in that year and they donated $10,524, less than half the amount secured in the previous year. Ten thousand dollars more was appropriated to the work by the City Council, and this seems to have saved the day. During the next two years the amount raised varied only slightly, although the number of givers increased a little. For some reason or other, probably because the times made it more difficult to get money outside the fold than within it, the number of participating organizations mounted slowly. By 1896 there were nineteen organizations. In that year the city cut its appropriation to $7,500, which stimulated collections and compelled the volunteer solicitors to produce $15,000.

Notes of Unrest

On the tenth anniversary, in 1898, a note of unrest had begun to creep into the annual reports. Pressure of growth was being felt and the federation was not meeting it. Its collections were down to $13,000, and the city appropriation up to $9,000. Two organizations were considering withdrawal, and a day nursery had closed its doors. The agencies were resorting to too many entertainments as extra means of raising money.

In 1899 the president's report contains the following: "A few of our institutions have received support that

is entirely inadequate to their needs. Their friends, in order to maintain them, felt impelled to seek aid from outside sources. In their extremity they were persuaded to engage professional solicitors, who retained the larger amount of the sums collected, giving the remainder to the institutions. This caused much unfavorable comment and met the disapproval of the Charity Organization Society. Therefore, the following resolution was adopted:

" 'Much unfavorable comment has been made to the officers of the Associated Charities regarding the methods employed by individuals in raising money for charitable purposes. Believing that these methods threaten to discredit our institutions and thereby to lessen the support given by our regular contributors; therefore be it resolved, that the various coöperating societies, before taking steps to raise money on their own responsibility, counsel with the executive committee of the central office regarding same.' "

A professional solicitor was engaged, which broke the standing habit of the organization to rely entirely upon volunteers. The year of 1900 was more prosperous. A vigorous lady had become interested and through her efforts two hundred more givers were secured and the amount secured from donations rose to $17,000. Seventeen organizations were financed. During all these years the central office had carried on the work of a charity organization society in addition to money raising and appropriating.

Successive years thereafter showed ups and downs. While the lady previously mentioned was active, income was on the increase; when she dropped out, income waned. By 1904 the total expenditure for the fourteen organizations still remaining was $74,566.21, of which

$24,000 was appropriated by the Society, which had raised $14,000, and received $10,000 from the city. Close to $30,000 came from agency earnings and another $20,000 had to be met by individual solicitation of the various agencies.

James H. Pershing, president in 1905, has some illuminating things to say in his annual report:

"Attention is directed to the comprehensive character of the combined activities of these institutions. It is believed that efficiency in the care of the community's dependents will be increased, not by a multiplication of agencies, but by strengthening those now employed.

"The increasing burdens of these institutions is strikingly shown by the following table, giving their aggregate expenditures for each year during the past ten years:

Year	From Subscribers	City Appropriation	Total	Total Expenditure of Associated Charities
1895	$12,475.93	$10,000.00	$22,475.93	$34,848.56
1896	15,319.38	7,916.70	23,236.08	35,646.77
1897	12,528.70	8,750.00	21,278.70	36,875.81
1898	13,314.03	9,000.00	22,314.03	37,935.76
1899	14,131.05	9,000.00	23,131.05	44,291.78
1900	14,028.00	9,000.00	23,028.00	51,635.44
1901	17,298.25	9,000.00	26,298.25	57,054.45
1902	18,363.03	9,000.00	27,363.03	61,723.04
1903	13,568.92	9,833.32	23,402.24	72,072.62
1904	13,290.29	10,000.00	23,290.29	74,566.21
1905	18,276.90	10,000.00	28,276.90	76,379.84

"This table demonstrates the failure of the public subscriptions to keep pace with the needs of the institutions. The discrepancy between the expenditures shown by the fifth column, and the receipts shown by the fourth column, is made up by the institutions in two ways: first, by income from more or less fixed sources, amounting in 1905 to $48,102.94; second,

from funds raised by solicitation outside the agency by the Trustees, amounting, in 1905, to $28,276.90.

"While it is not expected that the institutions should depend entirely upon the Trustees for support, nevertheless, if the contributing public would subscribe directly to the charity fund managed by the Trustees, instead of forcing the institutions to duplicate effort in this direction, no greater burden would be imposed upon the public, and a regular organized income would be assured to the Associated Charities. Each institution sharing in the funds raised by the Trustees pledges itself not to solicit maintenance from subscribers to these funds. An institution with a strong power of personal appeal is in danger of suffering decided financial loss by this pledge, unless it can realize, in return for the advantage surrendered, a corresponding support from the funds managed by the Trustees. Therefore an earnest appeal is made to the public for more systematic donations, through the agency of the Trustees.

"Their names and standing in the community are a guarantee that the funds will be equitably distributed according to the needs of the institution.

"In these days of careful scrutiny into the management of trust funds, subscribers should know that on the second Monday of each month, each institution is required to send a personal representative to the Directors' meeting of the Charity Organization Society, prepared to submit a detailed written report of all receipts and expenditures for the month. These reports are read, compared and placed on permanent file in the Central Office. This comparative data is of great benefit in the efficient and economical management of the various institutions."

This appeal fell upon deaf ears, and the same note

was struck in succeeding annual meetings. The agencies were caught in the growth of the great American social service urge. Their gross expenditures were increasing while the income of the federation remained about stationary.

Increasing Burdens

In 1908 the president says, "Estimating upon the basis of increase in past years, the work of the institutions for the ensuing year will demand not less than $120,000. One of the principal objects of the Charity Organization Society was to relieve the institutions from the necessity, and the subscribing public from the annoyance, of indiscriminate and multiplied solicitations for funds. The supporters of the charities of Denver must be brought to see more clearly the wisdom of one adequate subscription to the common fund, administered by the Trustees. This will relieve the various institutions of much anxiety and needless waste of energy in duplication of effort. To accomplish the desired end the Trustees should receive not less than $60,000 during the year ending November 1, 1909."

The Trustees in 1909 comment on their dilemma: "One of the reasons for the stagnation of the past few years is the fact that the work of raising money has been practically all done by the Trustees themselves in odd moments and when no other business demanded their attention. When Denver was one-third its present size and everyone knew everyone else, this method was practical and worked fairly well. Now it is unbusiness-like and has proven a failure. . . .

"We cannot ask our subscribers to increase their subscriptions unless we can assure them absolute immunity from further solicitation by the institutions we

help, and on the other hand, we cannot ask the institutions to cease their solicitations unless we are prepared to furnish them with funds they absolutely need."

As a recognition of this, it was proposed to raise enough money to take care of all wants of the institutions and insist upon an absolute adherence to the immunity rule. It was now thought that $50,000 a year would accomplish this.

Then followed reorganization, a characteristic of the early stages of coöperative enterprise, reaching in one direction for something that is elusive, and turning to reach elsewhere. This reorganization made the trustees the directors, made them self perpetuating, and proposed a council of delegates from the agencies for representative purposes. In the following year the name was changed to the United Charities of Denver, because the old name had a tendency to confuse the relief work of the central office with the more important correlative work. An endorsement committee of the Chamber of Commerce was created, and a confidential exchange for Denver's charities.

But the sums of money secured did not increase, and a process of disintegration that had been going on for some time received an impetus in the withdrawal of the Jewish Charities, which formed an independent organization known as the Jewish Social Service Federation.

Again reorganization. It became manifest that to avoid complete dissolution, a more comprehensive union must be effected. Cleveland was now widely heralding a new federation, and Denver in desperation copied the Cleveland scheme of organization and created the Denver Federation for Charity and Philanthropy in 1914. Twenty-five organizations were taken in, and they were asked to share about the same sum of money that was

raised before, approximately $33,000. The trustees said: "The constituent institutions themselves were slow in grasping the meaning of the new order of things and its bearing upon their duties and limitations. The contributing public exhibited continuing uncertainty as to the possibility of successful operation, at the same time admitting that the underlying principles of the Federation were business like and practical."

Disappointment

The results were still disappointing and at the close of 1914 the officers were ready to throw up the sponge. They recommended dissolution; but the trustees and the presidents of the organizations would not follow, and voted to continue. A survey was made; the campaign method of raising money adopted; and a professional federation executive hired. Income from contributions spurted up to $53,000; givers increased from 838 to 2,837; and determined plans were laid for financing the organizations for the next fifteen months. Old traditions, old doubts, old inertias were painfully worn away in successive years by processes of attrition. By 1918 $76,000 was secured and in 1919 $107,000.

Success at Last

Then came the final stroke, the latest reorganization, when the aid of the Chamber of Commerce was enlisted, which investigated and recommended that a community chest should be organized, to include the members of the present federation and those institutions doing social service work other than charity, which in the main had held aloof. The response to this proposal was gratifying, forty-five organizations joining hands to create a community chest. With the

solid backing of the Chamber of Commerce, and a great rallying of devoted men and women interested in their city, the community chest scored a great success in its initial campaign of 1922, raising $649,000 from 40,000 givers. Denver the pioneer had crested successive waves of adversity and come into the port of success. In succeeding years it has maintained its progress.

As one studies this story, bearing in mind what has happened elsewhere, certain pertinent thoughts spring to mind. First, it took Denver almost a generation to learn that an agency which must be regarded in some respects as being in competition with others has great difficulties in being a successful federating unit. Next, energy, tons of organized energy, are needed to galvanize civic inertia and human indifference into enough interest and devotion to guarantee the carrying of the enormous load of a federated agency year after year. Denver tried it on a purely volunteer basis, an unorganized volunteer basis, for almost three decades, and at no time was success hers. Finally, in spite of the obstacles and the failures, the essential soundness of the plan kept it alive until the day eventually dawned for a realization of its best possibilities.

The Jewish Experience

During that long period when Denver was in the slough of despond a number of other experiments with federation were tried. One of the earliest of these was the communal efforts of the Jews, whose generosity and high standard of social work have been an inspiration for the Christian peoples.

Dr. Joseph Jacobs summarizes the development of the federation movement in Jewish philanthropy in the *American Jewish Year Book* issued in 1915. He states:

"Previous to 1895 various Jewish philanthropies had merged here and there in actual consolidation under some such title as United Hebrew Charities." This scheme represented the same set of ideas as the Charity Organization movement. In 1895 the first real federation effort occurred in Boston, when the leaders of the Jewish community of that city determined to attempt a federation of the charitable institutions under one systematic management while leaving the autonomy and jurisdiction of each society intact. The original idea seems to have been to leave the enrollment of members and the collection of their dues to the individual societies; but to make appeals to the general public in the form of bazaars, balls and general collections for charitable purposes through a federation—the results to be distributed according to needs and relative importance. By June 1 of that year the federation was in working order and $13,000 was collected. The early history of the movement is obscure and there are no data showing how much increased income accrued to the separate institutions in the early years.

In July, 1896, Cincinnati established a federation of nine institutions, known as the United Jewish Charities. Two agencies were not included. In 1897 $11,000 was collected; and in 1899, $33,000. For nine years this amount remained stationary. In 1908 its collections jumped to $50,000; and by 1914 it was distributing $103,000 to the constituent agencies, and giving about $27,000 in direct relief, the association acting in an administrative capacity in the family welfare field. It was making substantial contributions to the Denver Hospital and to the National Desertion Bureau.

In January, 1900, a conference was held by Chicago

citizens interested in this new idea. It was indicated that some would make subscriptions exceeding by one-quarter or one-half their previous gifts to separate Jewish charities. At the end of two months six hundred persons had pledged over $100,000. The Associated Jewish Charities of Chicago was promptly incorporated and set in motion. The first year of the federation $135,000 was secured, which may be compared to an estimated $110,000 raised separately in the previous year. Up to 1905 the income had increased slowly to $145,000, and membership had grown from 1,684 in 1900 to 1,777 in 1905. In 1910 the income jumped to $368,000 and membership to 3,275; and in 1913 the amount collected was $522,170 from a membership of 3,292.

Other Cities

In 1904 Philadelphia, Detroit and Cleveland joined the list of Jewish federation cities. Philadelphia showed the same tendency that marked Cincinnati and Chicago. It collected in the first year $113,000 for nine institutions whose previous income had been $95,000. Again followed a few stationary years, the total collections remaining at about $115,000 from 1901 to 1905, then a jump to $140,000, which figure continued from 1905 to 1909, and next a rise in 1914 to $208,000.

A notable thing about Cleveland was the growth of the reserve or endowment funds of the agencies, a fact that was early cited in answer to the fear that federation would stop endowment growth. For five years previous to the federation the reserve fund of the agencies had increased from $314,538 to $382,004. The first year of the federation the reserve became

$407,388. During the next ten years it rose to $687,-439.

Buffalo and Indianapolis joined in 1905; Toledo and Louisville in 1909; Dayton and San Francisco in 1910. Baltimore established two federations. In 1908 the first attempt was made to establish a federation in New York but it did not succeed.

Results Summarized

Dr. Jacobs summarizes the results in federation giving as follows: "Thus far the history of federation in American Jewish Charity has been uniformly one of success, though naturally in some cases on a larger scale than in others. The advantages that have been claimed throughout have been in the first place a distinct increase in the amount collected. Persons are often under the erroneous impression that they are contributing largely to charities when sending their gifts in driblets and are often surprised at the comparative smallness when the various items are added up. They are therefore prepared to make considerably greater sacrifices, especially when not likely to be worried more than once during the year. This class of increase naturally does not occur after federation, and it is almost a universal experience that the second, third and fourth years after federation do not show any marked increase, certainly not more than the normal increase that population and affluence would have warranted even if no federation had taken place. But it is also a general experience, that after three or four years another jump takes place in the receipts, after which another pause recurs, and in this way the income mounts up rapidly and so far as can be ascertained,

much more rapidly than in the earlier conditions before federation.

"While relieving the local societies of the trouble of collection, the federation effects great economy in collection itself. It is a curious phenomenon that however large or however small the amount collected, the expense of collection in all the cities is about $5,000 per annum. As a consequence the percentage of expense involved in collection tends to decrease. For example, in Chicago the cost of collecting $250,000 in 1909 was almost exactly $5,000 or 2 per cent, whereas in 1913 the cost of collecting $450,000 was approximately $6,500 or about 1 2-5 per cent."

About 1910 Brooklyn federated its Jewish charities. It raised the funds for its various organizations, and investigated the soliciting schemes and proposed organizations among Jewish people in the borough. In 1909 it was said the separate agencies raised $64,000, which, under federation, rose in 1910 to $91,000 and in 1921 to $540,000.

A Federation for the support of Jewish Philanthropic Societies was finally created in 1917 in New York, covering the Jewish organizations of Manhattan and the Bronx. Just before federation the agencies raised about $1,500,000, which rose the first year of federation to $2,000,000. Neither of these two last named Jewish combinations comprise all of the agencies in their territory.

Social Influence of Federation

Dr. Boris D. Bogen, in his book "Jewish Philanthropy," discusses the social influence of the movement: "The problem of raising funds for philanthropic purposes, as expressed in the modern term of efficiency,

is to secure the greatest amount of money with the least possible expense and effort,—to provide a permanent regular income for the maintenance of existing activities and to conserve the interest, as well as the resources, of the community, in the field of philanthropy. The Federation plan fully meets these tests.

"The Federation is an attempt to unify the different philanthropic efforts of a community. In some cities it is simply a central collective agency; in others, the relief department is an integral part of the Federation; and again, in some, it is a central administrative agency for all organizations.

"Apart from the material benefits which result from Federation, the whole plane of Jewish philanthropy is raised by this more dignified method of collecting and distributing the means by which charity lives. Then again, the community in which the institution exists learns to regard it as an organized member of the community, rather than a pet institution of a limited number of families. When occasions arise on which a greater appeal has to be made for charity purposes, it would, perhaps come with more force from a central bureau representing all the philanthropic activities of the community than if it emanated from the directors of a single institution."

CHAPTER V

THE INFLUENCE OF THE COMMERCIAL ASSOCIATIONS

Up to 1908 Denver and the Jews were the sole experimenters with financial federation on a communal basis. Then the city of Elmira, New York, started a scheme which eventually placed it in the charmed circle as permanent entry number three. A Social Service League was founded by the churches, charities and missions of Elmira to coöperate in aiding the poor. In 1909 the Women's Federation of Elmira and the League were joined in the Elmira Federation for Social Service. Five agencies united with the Federation's social service department in 1910 to create a financial federation known as the Allied Charities. Its career has been one of steady success.

Cedar Rapids, Iowa, seems to have started joint collecting at about the same time, and San Antonio, Texas, made an abortive attempt at federation in 1912.

So matters stood in 1913, when Cleveland came forward with its Federation for Charity and Philanthropy which is generally regarded as the beginning of the modern movement. Just as Darwin is not the originator of the theory of evolution, so is Cleveland not the originator of the federation. But Darwin compiled the evidence on evolution and became its first great press agent. And Cleveland founded its federation on a wealth of evidence, planted it in extremely fertile soil, and promptly announced it to the world.

Its federation succeeded from the start; it was advertised from the start; it prompted a dozen other cities to do the same thing; and it deserves to be known as the originator of the modern movement. The growth of the idea in Cleveland is worth close examination.

Cleveland's Contribution

We must return to that painstaking, thoroughgoing Committee on Benevolent Associations of the Cleveland Chamber of Commerce, which had wrestled with the problem of endorsement. At its head, as chairman, was an able hard-working Jewish business executive, Mr. Martin A. Marks, familiar with Jewish federation practice and devoted to his avocation, which was the Committee on Benevolent Associations. Associated with him were capable and intelligent members, and result-getting, far-seeing secretaries. And these advantages plus the fact that this Chamber of Commerce attended to business whenever it tackled a civic problem meant that the committee could not remain forever content with the relatively ineffective method of endorsement.

Consequently after it had settled itself into its job, and had come into a fairly thorough knowledge of the mechanism of the agencies, and into an increasing interest in working out corrections for the obvious faults flowing from the prevailing system of organizations, the committee set out earnestly to find a satisfactory solution of the problems confronting the charitably inclined people of Cleveland. A study was made in 1907 of the financial support of the social agencies of the city in an attempt to discover how much the whole group received, and the sources from which the support came. A report was printed and circulated.

Financial Support in 1907

This report opened with the following statement: "For many years, some of the most reliable charitable organizations in the city have experienced great difficulty in raising enough money to carry on an aggressive and thoroughly efficient work, other societies doing a less important work have been laying up a surplus of receipts over expenditures from year to year, and some wholly worthless institutions have collected from the public money which has been expended in maintaining an inefficient or needless work. At the same time the demands upon a certain class of contributors have continually increased until those known to be charitably inclined have come to be unduly burdened by the persistent solicitation of the representatives of various charitable organizations."

The report set forth that the charitable organizations of the city were meeting constantly growing difficulty in raising enough money to cover their requirements. Some of those that used paid solicitors had been compelled to increase the commissions paid, in some cases from ten per cent to thirty per cent, and others to increase the numbers of solicitors. A growing amount of time was being exacted from board members who engaged in volunteer soliciting. A steadily mounting proportion of the money raised was being consumed in the process of financing the work. "It is impossible to estimate accurately just what this percentage is," says the report, "but from careful examination of the methods usually employed, it seems reasonable to suppose that an average of twenty cents on every dollar is consumed in transferring the balance from contributor to organization."

The cause of the trouble was thought to be an enlargement in the work of the agencies without a commensurate enlargement in the education of additional contributors. A few people received repeated appeals, sometimes as many as ten or fifteen calls. These numerous visits were unjust, not only to the contributor, but also to worth-while organizations, because each solicitation increased the obstacles the next solicitor must overcome to receive favorable attention. The keen competition for money had caused benefits, fairs and socials to increase, although relatively expensive and unproductive ways of raising money.

From such an analysis the report proceeded to recommend the establishment of a federation in Cleveland for consideration of the membership of the Chamber of Commerce:

Federation Recommended

"It appears, therefore, that the present system is not only inadequate and unsatisfactory, from the standpoint of the organizations, but that it has become most unjust to a liberal public and tends through the innumerable appeals which constantly come to them to antagonize a large number of generous contributors. The Committee is facing these alternatives, therefore; a considerable economic loss shall still be permitted and the giving public burdened with an undue frequency of appeals; or many organizations shall be allowed to suffer for lack of funds, and the charitable and philanthropic work of the city be allowed to retrogress; or some new movement shall be inaugurated to collect and distribute more economically and satisfactorily the money already given to charity and to educate a new class of contributors."

This report was based on an investigation of the work of fifty-eight organizations endorsed by the committee and three which were not endorsed but which were receiving considerable support from the community. Practically all legitimate charity soliciting public support was included in the investigation. The total income of these organizations was $994,491. The income from direct contributions solicited from the public was $482,407; $442,000 of this was given in sums of more than five dollars by only 5,733 individuals; 50 per cent of the money collected came from seventy-four persons, while 2,153 individuals gave but 2½ per cent of the amount contributed. Of the 5,733 only twenty subscribed to ten societies and 4,150 persons gave to only one organization.

For the consideration of members of the chamber, the committee suggested that a board of perhaps 30 members, subsidiary to the Chamber of Commerce and similar to its Retail and Wholesale Merchants Boards, should be created for the collection of money from the general public. "Part of the board could be elected annually or otherwise, by the contributors and the charitable organizations, and a part chosen by the directors of the chamber, inasmuch as possibly 85 per cent of those who support these charities are either chamber members, or belong to the families of chamber members."

High Cost of Collection

The committee estimated the existing cost of collecting the amount contributed by the public to be $70,000. To conduct a federated board would cost, it was thought, not more than $12,000 or $15,000.

The report next summarized the objections that had

been raised to this plan and answered them. The first objection, that a centralized body might tend to deaden the work of an organization, was answered as follows: "They will therefore be more capable of requiring a practical and symmetrical work than that which now exists. The fact alone that the board would require the budget of every society to be submitted each year would prevent a perpetuation in office of directors."

The answer to a second objection that the plan might be more expensive has already been stated. The ability of the Jewish federations to raise more money each year and lay up a reserve fund from year to year was stressed. Citation was made of the Liverpool association, which had shown an increase of $5,000 for every year of the society's existence and in addition had been able to create an unappropriated fund of $29,550. Another objection—that the federated plan would eliminate the personal interest between the contributor and organization—was considered. The concern felt by some that the plan would tend to reduce subscriptions of individuals and prevent an increase was met with the experience of the Jewish federation and the Liverpool association. The Liverpool association had said: "When a person of any degree of benevolence has had presented to him our list, now including one hundred and fifteen charities, to only one of which, perhaps, he contributed, he has been led to see the duty of extending his liberality and giving to several others. 'Evil is wrought by want of thought as well as want of heart,' and failure to do one's duty has often a similar origin. One cannot fail to observe that to some it is a positive luxury to do good in this way."

The proposal for a subsidiary financial federation

was referred to the chamber membership for consideration, but before action could be taken a financial depression ensued, and it seemed wise to the Chamber of Commerce not to attempt to launch a federation during the period of depression. Moreover there was not enough unanimity among the agencies to guarantee inclusion of them all, and the chamber was anxious to make the federation all-inclusive.

Another report was prepared in 1910, and a third in 1912. These differed only in minor details from the first report, except in plan of organization and administration.

Findings in 1912

The last report summed up the results of the twelve years of coöperation resulting from the work of the endorsement committee. Combinations of duplicating organizations had been effected; the elimination of some whose work was useless; the reorganization of others; a reduction in the number of paid solicitors, benefits, fairs, socials, and entertainments which were uneconomic and wasteful. Yet certain important problems confronting the charitable work of the city remained unsolved.

"First, some of the most reliable charitable organizations of the city have experienced great difficulty in raising money sufficient to carry on aggressive and thoroughly efficient work, while other societies doing a less important work have been laying up a surplus of receipts over expenditures from year to year, and some institutions have collected from the public money which has been expended in maintaining an inefficient or needless work. Second, the demands upon a cer-

tain class of contributors have continually increased until those known to be charitably inclined have come to be unduly burdened by the present solicitations of the representatives of various charitable organizations."

A digest was presented of the answers that the Committee had secured from members of the Chamber of Commerce upon its previous referendum. One hundred and thirty-six answers had been received. One hundred and nineteen gave unqualified approval of the plan; four, qualified approval; eight, qualified approval subject to certain objections; two, qualified approval subject to further investigation; and three, unqualified disapproval.

The report presented the statistics of the second survey, made in December, 1909. The total income of the agencies had risen since 1907 to $1,893,010.33. This canvas covered 73 institutions instead of the 61 reviewed before. One of those included in the previous canvass was dropped. Three did not report, and two organizations had suspended work and did not have any money during the year 1909. Part of this figure was divided as follows: direct contributions of $5 and over, $499,639.51 from 5,386 individuals; $185,000 from invested funds; $434,582.11 by 20 institutions in legacies. In only five cases were legacy receipts added to permanent funds. These cases however included a large proportion of the aggregate amount of legacies. The sum of $24,769.25 from legacies had been used during the year to meet annual budgets. The amount received from this source was about $400,000 larger than usual, owing to the death of one of the largest givers.

The Total Budget

The total current charitable budget was $1,500,000, one-third of which was derived from beneficiaries. Thirty-two thousand, five hundred dollars and thirteen cents was received from fairs, socials and entertainments. Sixteen thousand, forty-nine dollars and thirty-three cents was received from people residing out of the city. There were other sources of income that could not be especially designated, amounting to $107,478.34. A careful study of this item revealed that it would be necessary to add $29,800 to the amount to be raised from general local subscriptions if the total current charitable budget was to be the present $1,500,000.

Permanent invested funds of the organizations had risen to $2,911,016.56 compared to the previous figure of $2,210,065. The committee calculated that it was desirable to raise annually $665,000 from public contributions. It noted that the institutions were developing an increased earning capacity, the amount received from earnings in 1907 being $397,589 and in 1909 $535,678.59. Vigorous measures of the committee against raising funds by means of fairs, socials, etc., had resulted in the reduction of that item during the two and one-half years intervening between the two studies, from $38,895.00 to $32,514.13. A marked decrease appeared also in the amount of money contributed to charity in sums of less than $5, the difference being the amount between $33,719 and $26,338.22 or $7,380.78. Total building indebtedness and similar incumbrances amounted to $895,567.59. The total deficits in the yearly budgets not met from

any source amounted to $51,740.92. This deficit was not large in any particular case and was evenly divided among nineteen institutions, to four of which could be attributed over one-half of it. To offset the deficit was a total surplus on hand amounting to $43,597.49 accumulated by forty-two organizations. The total deficit for charitable work in Cleveland during the year 1909 was only $8,143.43, a very gratifying result when the tremendous increase in budgets was considered.

Twenty-one institutions reported a united cost of collecting funds for their institutions of $20,816.91; and the committee estimated that between $65,000 and $70,000 was the cost of collecting the funds of all the agencies.

The previous canvass showed that $420,454 was contributed in sums of $5 and over, and in addition $11,969.03 came from small contributions of less than $5. This made an increase of $91,155.24 from the public during the two and one-half year period. However, there had been a decrease in the number of contributors from 5,733 to 5,386. In the same time the Jewish Federation had increased its contributors by 308. Subtracting this increase it was found that the total number of contributors to charity had decreased 11 per cent during the given period, while the budgets of the institutions had increased approximately 50 per cent. The committee found in the files seventeen names of generous contributors who had died after having made their contribution to charity and pointed out a possible danger in this death rate. An estimate was made that 17 per cent of the charities of the city would be practically bankrupt if three of the largest contrib-

utors should die in the same year, or if their property could not be used for public purposes during the administration of the estate.

Unequal Development

An additional fault with the existing situation which, to the committee's way of thinking, was more serious than any other, was the disparity in development among institutions having equally important needs to meet:

"It is apparent that unless some equitable force is brought into play properly to distribute charitable funds it will be only a question of time when many institutions doing reliable and efficient work will be in a state of bankruptcy, while others will be laying up a surplus and enlarging their work along lines not warranted, when contrasted with other situations of extreme need.

"The majority of institutions are complaining that it is practically impossible to raise sufficient money at the present time to support their work. The returns from letters and circulars in which appeals are made are meager, when compared with similar returns of a year or two ago. One institution in 1907 sent out 330 letters requesting $10 subscriptions. These letters netted an average of $1 apiece. In 1909 two hundred people were chosen from this list and similar letters requesting $10 each were sent to them. The average return from these letters was twenty-five cents each. Another institution sent out letters in 1907 which netted an average return of about $1, while in 1909 letters addressed to the same people netted an average of thirty cents."

It was decided that in practically all cases the cost

of solicitation was materially increased, almost the only exceptions being in those institutions whose officers had particularly developed the financial side of their work, sometimes to the detriment of the charitable work for which they were designed.

Advantages of the federation were summarized as follows: The elimination of useless solicitation; a constructive program; conservation of energy; increase of efficiency; more effective administration; increased personal interest; more intimate knowledge of charitable work; increased resources and increased number of contributors. Mr. Rockefeller was quoted as follows: "We must always remember that there is not enough money for the work of human uplift and that there never can be. How vitally important it is, therefore, that the expenditure should go as far as possible and be used with the greatest intelligence. I have been frank to say that I believe in the spirit of combination and coöperation when properly and fairly conducted in the world of commercial affairs, on the principle that it helps to reduce waste; and waste is a dissipation of power. I sincerely hope and thoroughly believe that this same principle will eventually prevail in the art of giving as it does in business. It is not merely the tendency of the times developed by more exacting conditions in industry, but it should make its most effective appeal to the hearts of the people who are striving to do the most good to the largest number."

Federation Proposed Again

The report ended with a suggested plan of an organization to be known as the Cleveland Federation for Charity and Philanthropy and to be composed of a

board of thirty trustees, ten members to be selected by the organizations, ten to be elected by the contributing patrons, and ten members to be appointed by the President of the Chamber of Commerce and approved by its board of directors. Any organization would be eligible to participation that made a legitimate appeal for funds to the citizens of Cleveland, without restriction to religious, denominational or other special affiliation.

An itemized agreement between the federation and its constituent members was proposed. The salient features incorporated in it were as follows:

When the federation received from a donor an unrestricted gift, equal to his total gifts to the separate organizations in the year immediately before, a share equal to his former gift was to be assigned to each organization to which he had previously given. If an unrestricted gift totaled 10 per cent more than the aggregate formerly given to the separate constituents, one-half of the increase was to be divided among those that had been the beneficiaries of the giver in the year preceding his gift to the federation. If the gift was less than the total gifts formerly given it was to be prorated among the donor's earlier beneficiaries. This portion of the agreement was to continue until the end of the second year.

Any donor was to have the right to designate his gift as he saw fit.

Each participating agency might solicit donations from any person not making a gift to the federation.

Each organization was free to cultivate the interest and attention of its friends and to make new friends; and the federation was to promote the relation between the agency and the individual.

The member organizations were not to solicit gifts

from contributors to the federation, or to seek to secure designations of federation givers.

Tags and tickets were not to be circulated by any member organization. The ultimate aim was to put an end to bazaars, fairs, entertainments and balls. For the time being these were to be permitted, but only upon consultation with the federation.

The books of participating agencies were to be open to the federation, and any reports required by it were to be submitted upon request.

The immediate agreement dealt only with current expenses; but the need and method by which funds would be raised for other purposes than to meet current expenses, were to be determined in consultation with the federation.

It was recommended that steps be taken to put the federation plan in operation January 31, 1913, and that the chamber ask its president to serve with the Mayor, the Judge of the Probate Court, the president of the Bar Association, and the president of the Academy of Medicine in appointing a provisional federation commission to perform the necessary functions of the federation board pending the organization of that body.

This answer of the Cleveland Chamber of Commerce to the problems confronting the city, its agencies and its contributors, is a different answer from one that would have come out of the ordinary social survey, or out of the exclusive plannings of social workers and their board members; different because the approach was fundamentally different. The committee was in a measure detached from the ebb and flow of human misery in the city, and was studying in a cold-blooded way something relatively new, the

present limitations and potentialities of prevailing administrative practice, and any possible lifting of the limitations and freeing of the potentialities in the whole scheme of private charity through a revamping of that administrative practice.

The painstaking kneading of the public mind at last produced results. These gentlemen, unlike some of their prototypes in commercial associations elsewhere, had been content to wait until the yeast of a new thought had had time to leaven the loaf. Early in 1913 the Cleveland Federation for Charity and Philanthropy became an actuality.

Other Surveys

The Cleveland chamber's method of analyzing community giving as a precursor to formulating federation plans had a profound influence on similar commercial bodies in a number of other places, which followed in its footsteps and adopted the survey method as a first approach to the problem. It is illuminating to digress for a space and compare the later findings of several of these reports with the Cleveland studies.

Philadelphia

Philadelphia's Chamber of Commerce completed a survey in 1920. It found that about one thousand agencies existed, public and private, of which about five hundred were private. Three hundred and thirty-three of them, representing practically all the important ones, spent a total of about $15,000,000 a year for maintenance. Three million, one hundred and sixty-one thousand dollars, or 21.1 per cent of all income, was from voluntary gifts. Seven hundred and seventy-four thousand dollars was borrowed. Bal-

ances from previous years amounted to $849,000, or 5.7 per cent. Earnings from operations were $5,000,000, or 33 per cent. State appropriations equaled $1,310,000, or 8.7 per cent. The city and county gave $464,000, or 3.1 per cent. And income from investments yielded $3,500,000, or 23 per cent.

The total endowment held by the agencies was estimated at $90,000,000, and it was thought that $150,000,000 was invested in plants, land and equipment.

Fifty-one thousand, eight hundred and ninety-nine different persons contributed, the average number of contributors per agency being 374. Seventy-eight per cent of the givers gave to one agency only; 11 per cent to two agencies; and .71 of 1 per cent to from 16 to 88 agencies. Seventy-six, or 33 per cent of 234 agencies, received donations from less than 100 persons; 139, or 60 per cent, from less than 250 persons; 179, or 77 per cent, from less than 500 persons. Two agencies only received donations from more than 3,000 persons. Fifty per cent more women than men contributed. Fifty-one persons, or .2 of 1 per cent, gave 20 per cent of the total amount. Three hundred and twenty, or .7 of 1 per cent, of the contributors gave 47 per cent of the total.

In the months of October, November and December of 1919, 27 drives were scheduled, to raise in all about $5,000,000. The cost of collection varied from 15 per cent to 30 per cent.

Boston

A preliminary report of a similar study in Boston was issued by the Boston Chamber of Commerce in 1924. Its opening statement was: "During the past decade the social agencies of Boston, in com-

mon with those of other American cities, have been confronted with a growing problem in the raising of money from the general public. The large expansion of social work has not been accompanied by a corresponding increase in contributions, with the result that many responsible and important social agencies have encountered difficulty in obtaining money from the general public, and prospective contributors have become bewildered and often antagonized by the multiplicity of appeals."

This investigation disclosed that there were about 255 social agencies working in Boston proper and metropolitan Boston, whose total yearly income exceeded $16,000,000, of which something over $4,000,000 was from contributions. The disquieting fact was brought out that a very small proportion of the public contributed to Boston's social agencies. Records were analyzed of contributors to 133 agencies serving a public of about 1,100,000 people. They received $2,600,000 in contributions of a dollar or more from approximately 43,800 persons. The dollar contributors to the Red Cross were not included in this calculation. Sixty-four per cent of the persons listed in the Boston Blue Book did not give one dollar to any of the 133 agencies. Forty-nine per cent of the persons named in the Boston Social Register, including juniors, gave nothing. Forty-nine per cent of the members of the Boston Chamber of Commerce gave nothing under their own names.

As usual it was discovered that the bulk of the money contributed came from a few givers, some of whom gave to many agencies, and some of whom gave largely to one only. Four hundred and seventy-eight donors, or 1 per cent of all givers, contributed $1,309,946,

or about one-half of the total given. Twenty-four thousand, seven hundred and eighty-one givers, or about 56 per cent of all, gave 3.2 per cent of the amount contributed.

Chicago

In the same year the Chicago Council of Social Agencies issued an extremely comprehensive report, the study having been financed by the Commercial Club of Chicago. A review of the contributors of $2.00 or more to 124 major agencies revealed that 104,925 donors made 122,151 gifts, the average gift being $32.87. The number of contributors to single agencies varied from 33,156 to 15. Eighty-seven per cent of the total number of givers donated to only one agency. Ninety-five per cent of the contributors gave less than $100, the total of their gifts equaling 22 per cent of the total of all contributions. Three and two-tenths per cent of the givers, each giving from $100 to $500, produced 19 per cent of the total; 1 per cent of the givers, each giving $500 or more, gave 58 per cent of the total; one-half of 1 per cent, each giving $1,000 or more, gave 49 per cent of all; and 83 contributors, or less than one-half of 1 per cent, each giving $5,000 or more, gave 25 per cent of all contributions.

Although an accurate count of gifts of less than $2 was not undertaken, an estimate was made that they numbered about 350,000. The total of such gifts was $706,627. It was thought that the total number of givers of all amounts was about 455,000.

"The facts about the number of contributions of $2 or more per year to the agencies indicate that the interest of the individual contributor is rather closely

confined. Of the total contributors of $2 or more, 91,479, or 87 per cent, contributed to one agency only or to one of the two existing federations. Similar significance attaches to the fact that of the large number of contributors to the two federated groups, the Associated Catholic Charities and the Jewish Charities of Chicago, only 6 per cent and 22 per cent, respectively, contributed also to any other agency.

"Likewise, the very great burden of support falls upon a small number of contributors who give large amounts. Ninety-five per cent of them gave only 22 per cent of the total, whereas a proportion as small as 1 per cent of the contributors gave 58 per cent of the total given to all agencies. Eighty-three contributors, or one-twelfth of .1 per cent of the whole number, gave an amount equal to 25 per cent, or one-fourth of the total contributions.

"An examination of the results of securing such funds by these individual agencies, and by the six federated groups that raise their funds jointly, by means of letters of appeal, annual campaigns, Christmas seal sale, membership campaigns, tag days and personal solicitation by salaried solicitors, shows an average cost of 10 per cent of the total secured."

Results of Surveys

The Philadelphia inquiry led to the formation of a federation. Boston and Chicago referred their findings to the respective councils of social agencies in those two cities for study and consideration. After careful deliberation of the report the Chicago council, in the spring of 1926, proposed to its member agencies that a union should be formed of those social agencies, not already federated for financing purposes,

which desired to unite their efforts in raising their annual budgets. The proposal carefully stated that "this plan does not contemplate the formation of a 'Chest' or 'Federation' in the sense that such organizations have been formed in other communities, but rather a union of such agencies as may see the advantage of uniting their money-raising efforts"; and "that the methods proven best and in use by agencies which may unite for the purpose, be utilized in carrying out a year-round financial and educational campaign, primarily by mail, augmented annually when necessary by a personal solicitation campaign."

Two benefits are suggested for participating agencies:

"1—Assuring to themselves, through a united effort, a certain and steady financial income, adequate to meet their maintenance budgets, thus relieving their executives from devoting so much of their time to financial effort, which might otherwise be devoted to the development of the services which their respective societies render in their given fields.

"2—Reducing the number of appeals made upon the general public throughout the year, by each of the uniting agencies, to a group appeal made by the financial union for all of the agencies becoming members and to such follow-up and interpretive publicity as is necessary."

The proposed new organization would be called The Social Service Finance Union. Its governing board would be composed of one person elected from the board of directors of each member agency, one person chosen from the staff of each agency, and as many representatives at large as there would be agencies to be chosen by the governing board.

A budget committee would be chosen, its composition to be three members from each of the three classes of memberships on the governing board. Its duties would be the usual ones for such a committee, with the exceptions that it would have to have the right to permit members to raise funds independently of the Union, if an emergency arose, and "to approve and establish, prior to presenting the budgets to the Governing Board for adoption the total amount of money to be raised by the Union which will be the sum of the separately approved budgets." These powers would reside in the board of directors or trustees of all other federations.

A campaign committee would be provided for in case a campaign was needed; a publicity committee, a finance committee, to budget the Union itself, to take care of collections and banking arrangements, and to supervise disbursements; and a membership committee, to review applications for membership.

While the mails would be used first in trying to raise the needed funds, a campaign was contemplated at the end of the year, if this method did not produce adequate results. Member agencies would reserve the right as usual to solicit persons who did not contribute through the Union.

At the time this manuscript was completed the Chicago plan had been referred to those agencies that were eligible for participation and the issue was left in their hands.

CHAPTER VI

PRE-WAR DEVELOPMENT

The Cleveland Federation for Charity and Philanthropy was launched early in 1913 with fifty-five constituent agencies. Although the Chamber of Commerce had originally considered making the collection of philanthropic money a subsidiary activity of its own, it wisely abandoned this idea and created a new and separate organization representative of wider interests. In effect the new federation was a trusteeship of thirty persons, ten selected by the organizations to be financed, ten by the givers, and ten by the Chamber of Commerce. Fortunately, the chairman of the Committee on Benevolent Associations, who had given so much thought and labor to the promotion of the enterprise, became the first president, thereby assuring to the strenuous days ahead a continuity of thinking and labor necessary for successful culmination of the scheme.

Elemental Axioms

Two ideas that Denver had not recognized were accepted as axioms. The first was the necessity of a staff, and an able staff. Cleveland was starting not only a charitable enterprise but a business undertaking as well, and the promoters knew thoroughly from their own experiences how much energy and capacity were required to get motion into a new machine. The second was a recognition, growing out of their studies,

that an organized sustained selling campaign would have to be carried on which must be upon anything but an amateur basis. A third axiom, based upon the understanding that many givers would be slow to accept the federation whole-heartedly and fully, was the right of designation. Mr. Whiting Williams, who had made a record as a money raiser for Oberlin College, was engaged as executive secretary; and the group organized for a serious aggressive effort.

Luckily, during the first year, these pioneers did not paint too roseate promises either to the agencies or to the givers. Agencies knew in advance that they would have to raise a portion of the money themselves, either from old givers who declined to make gifts through the federation, or from those who had never given; and they were urged to keep up their own soliciting campaigns, and helped in doing so. Givers were told plainly that they would be relieved from solicitation by the agencies within the federation only if they gave as much as they had given the year before, and gave it through the federation.

A quiet campaign by volunteers, conducted without fanfare or trumpet, started the federation on its money-raising career. Then the staff and board settled into the harness for a continuous mail-order business, supplemented by personal calls, telephone canvassing and advertising. Great energy and ingenuity were exerted, and the first year produced $429,000, which was an excellent increase over the amount raised by the separate agencies in the previous year. The next three years produced successively $477,000, $480,000 and $543,000. Old givers enlarged their gifts and new givers were secured.

During the first year about 68 per cent of the total

was given directly to the organizations instead of to the federation. In the second year this proportion changed, about 58 per cent of the total being contributed to the federation. In the third year, 61 per cent came through the federation; and in the fourth year, 71 per cent. Noticeable also was a heavy designation of gifts to the various agencies. These achievements were excellent; and yet all was not rosy.

Lack of Budget Procedure

The federation had little acquaintance with budget procedure and practiced it less. Constituent agencies raised what they could, and spent what they thought they had to spend, without relation one to another, calling upon the federation to produce the deficits that they could not procure themselves. That just distribution after which the endorsement committee hankered was not in sight. From the central office more money was forthcoming than the organizations had ever had before; but it was not enough to satisfy uncurbed appetites whetted with expectancy; and several years followed when the federation was confronted with a general deficit. An unsolved complication had come into the realm of charitable finance. Natural caution over expenditures, which exists when one must produce his own income, had been removed from the individual agencies; and no new restraint had been substituted for it. Income and not expense worried the agencies, and some of them were told that the only solution lay in adoption by the federation of the campaign method of money raising, an idea that the central body refused to adopt, arguing that slow educational processes created more lasting and better satisfied support. The agencies were not happy.

From the beginning, also, a good deal of dissatisfaction existed with the scheme of organization. Cleveland's professional social executives, who were influential citizens of no mean capacity, were barred from official participation in the counsels of the new instrument which in a measure had their destiny in its keeping—a fact that they did not relish. Other strong people also were left out of the official deliberations, who were none too quiescent about their isolation. The organization of a new Department of Public Welfare in the city government in 1914, following a charter revision, furnished an opportunity for the creation of a new functional group, known as the Welfare Council, intended to help this department, and to correlate social methods and do social planning. It was conceived after the fashion of the council of social agencies; and its creation, a year after the federation was started, might indicate either that the latter, being so busy with financing, was not paying attention to social planning, or that enough people of influence in social work believed that it was not.

During 1917 the Welfare Council and the Federation were merged in the Welfare Federation of Cleveland, each member agency of the old council being given two delegates on the general board of the new combination, which heard policies, discussed plans for new movements, investigated problems, recommended action, and elected the active board of trustees of the Welfare Federation. Mr. Williams resigned as secretary and Sherman C. Kingsley succeeded him. The budget system was introduced in an attempt to secure an accounting control over expenditures.

And then war broke out. New competitions threatened in the ensuing whirl of campaigns for the Red

Cross, the Y. M. C. A. and the others. The federation, hard put to it to make both ends meet, joined with the Red Cross and the Mayor's Advisory Board in a triple campaign that saved its life. Next came the War Chest.

The Movement Spreads

Harking back to 1913, we find Cleveland's new experiment, which did not lack national advertising, watched eagerly all through the adjacent West. Other cities waited only for word of success from Cleveland before joining in the new movement. A year after Cleveland's federation was announced, South Bend, Dayton, Richmond (Indiana), Salt Lake City, and New Orleans inaugurated federations. Salt Lake and New Orleans failed for reasons that will be reviewed later. The others prospered well enough to persist. In 1915 Cincinnati, Baltimore, Dallas, Erie, and Oshkosh joined the ranks. These, together with Denver, Elmira, Cedar Rapids, Cleveland, Milwaukee and St. Joseph, were the early comers in a steadily increasing group of federations in both big and little cities. Some of them were limited to only a few agencies in their cities, and others were citywide. They showed varying degrees of success, but these things were common to all of them: more money, more givers, and advances in social work.

A Different Development

The Cincinnati movement warrants special examination because it was the first to arise exclusively from the agencies rather than from the contributors. Cincinnati, like Cleveland, enjoyed an early development of social work, as Mid West cities run. It had gen-

erous citizens and early promotion from able pioneering executives. Alexander Johnson, whose name is familiar everywhere in social work circles, served as first secretary of its Associated Charities; Dr. Boris Bogen was for many years superintendent of the unusually successful United Jewish Charities; and there were many other well known professional names connected with Cincinnati's social development during the closing decade of the nineteenth century and the opening years of the twentieth. A strong social workers' club thrived early; and in 1911 it called a meeting of agency delegates to discuss coördination and correlation. Out of this meeting came a decision to create what was in effect a council of social agencies, to be called the Cincinnati Conference of Charities and Corrections. A manufacturer recently interested in the Children's Home, Mr. Frederick A. Geier, was chosen chairman; an executive committee selected; and a complicated group of functional sub-committees named. For a year or two this plan lay quiescent. Then came a reform city administration and Dr. Otto P. Geier, brother of Frederick, was named Director of Charities and Corrections. Early in 1913 the two Geier brothers and Mr. Max Senior, a Jewish philanthropist whose influence had been profound in the development of social work in his city, led a movement to resuscitate the Conference of Charities and Corrections and make the organization perform. Almost simultaneously with this decision occurred the disastrous floods in the Ohio River valley that inundated Dayton, Hamilton, and other towns. Cincinnati was accustomed to flooding; but the torrents of 1913 proved to be the worst for thirty years; and like all of that territory she raised instantly a large sum of money for flood relief work.

When the waters, which receded as rapidly as they had risen, were gone the Mayor's Flood Relief Committee found itself in possession of a large residue of money, and confronted with a long task of rehabilitating the property of those families whose homes had been damaged or destroyed. The Geier brothers promptly suggested to the temporary Flood Relief Committee that the Conference of Charities and Correction, representative of all the social work in the city, would be glad to organize on a more formal and active basis, and assume the job of flood relief rehabilitation. The suggestion met with approval, and the conference, called together, adopted a new constitution and by-laws, changed its name to Council of Social Agencies, opened an office, hired a staff and set to work on its first real job, that of flood rehabilitation. The resources of all the agencies in the city were needed for the task; and for months they worked together, learning through this emergency the satisfaction of harmonious effort.

In the course of time other enterprises were taken up. A charities clearing house was given over by the Associated Charities to the council; a defunct endorsement work was restored to life; a hospital survey was made; a movement was fostered which finally culminated in the Court of Domestic Relations; and efficiency work was done with various social agencies.

It was a good record of achievement; but it did not satisfy the aggressive chairman and vice-chairman, Messrs. Geier and Senior. They were anxious to get at the fundamental faults of the social service structure, to free it from its restraints and its inhibitions. Their eyes were focused on financial federation as the instrument of correction; and in this conception they

received whole-hearted support from their professional associates. Furthermore, it became increasingly evident that the financing of the council as a separate entity was an extremely difficult task in spite of its accomplishments. To finance all the agencies together would take no more effort.

Cincinnati Experiments with Federation

So early in 1915 a decision was reached to experiment with financial federation. We should now recall the structure of the council, to note the difference between this approach and that of the Cleveland organization and other cities modeled on the Cleveland federation. The Cincinnati Council of Social Agencies was a thorough-going coöperative enterprise. Its membership was made up of organizations, each of which appointed two delegates to a general council, which in turn elected officers and an executive committee. In addition to private social service agencies, governmental departments and civic bodies were given memberships on an equal footing with social agencies. At the very start it was clear that a financial federation could not embrace all the membership of the council. As the plans progressed it became clear, too, that only a limited number of eligible agencies were willing to risk their finances to the experiment of a federation during the first year. Consequently a general rule was adopted that groups of agencies and departments within the council might form subsidiary federations for any purpose that was not inimical to the interests of the whole body; and consent was readily granted to those who wished to federate finances to create the first subsidiary federation for that purpose.

Twelve agencies agreed to try the financial scheme.

The immunity rule, the campaign method of raising money, and the principle of budgeting were adopted in advance. It was May before everything was in readiness for the first campaign. All of the agencies had continued to raise money up to this time, so there was only a portion of a year to finance. The campaign was poorly advertised and poorly organized, and it secured only two-thirds of the money named as the goal. But it gave a base from which to work; and the new federation and the agencies pulling together produced before the year was over $152,000, which was 29 per cent more than had been secured for the same group of agencies during the previous year. Still it was not enough to meet the deficits that had accumulated through several years, and it became necessary to borrow $11,000.

With the second year the number of agencies increased from twelve to twenty-one. A better campaign was organized; educational processes developed; more money was raised; and the number of givers jumped from about 4,000 to 11,000. This large increase came from an experimental solicitation of industrial workmen at their benches in two or three large factories. Thus was modestly initiated the cultivation of a field that has in later years produced remarkable results. Budget practice was improved, and the agencies were taught to live strictly within their budgets, an important and necessary demonstration to the whole federated movement at that time. The alluring promise of more ready money with less effort held out by federation promoters had tempted organizations elsewhere to overspend, and the whole movement was threatened with a repetition of the troubles that had come to Denver. It needed some means of bringing expenditures

under a harmonious but firm discipline; and Cincinnati's budget plan, adapted from municipal finance, accomplished this desirable result.

Peculiar Organization

The peculiar organization of Cincinnati's Council of Social Agencies and its relation to the financial federating group, made it expedient for the agencies combined for money raising to develop their own budgetary control. So each of them appointed a board member to a central budget committee. This plan plus the fact that the whole scheme was within the jurisdiction of a council in which social executives played an important part, made for easy budget control and general harmony, and got rid, in the beginning, of the disloyalties and disaffections that were besetting Cleveland at about that time. Although the Cincinnati Council of Social Agencies was by no means so spectacular in these early years as some of its contemporaries, comprehended only part of its possible field, and was moving rather slowly, it was constructing nevertheless the foundation for an institution that did not call for supermen to operate successfully. Ordinary men and women might manage it very well.

From 1915 through 1917 there was a steady and satisfactory growth. The number of agencies participating increased; the amount of money raised increased; the number of givers expanded; and the organizations performed greater and more satisfactory service. Jealousies among agencies and backbiting among social workers dwindled; and larger groups than ever before took an interest in the programs fostered by the constituent members. Workers were exchanged by the different agencies to learn one another's points

of view. A movement to study social insurance was inaugurated, which culminated in a state commission for investigating the subject. Progress was made in consolidating the work of material relief in the Associated Charities; and in centralizing nursing service in the Visiting Nurse organization. A larger use of the Confidential Exchange grew up; purchases of coal and some minor supplies were centralized; accounting processes were improved; and in some instances better recording methods were introduced. A city wide survey of the negro problem led to the creation of an organization to deal with it. A Better Housing League was encouraged to come into existence, and was given help in many ways.

In 1918 a war chest arose and the Cincinnati federation, like its associates elsewhere, faced a new and a trying problem.

Some Failures

In this period from 1913 to 1918 there were failures as well as successes to record. A commercial association in San Antonio, Texas, tried to compel the agencies there to federate in 1912. It is said the attempt was made with a high hand. A long delay elapsed from the organization of the movement until actual solicitation began. An effort at hasty consolidation of two agencies engendered intense feeling. When solicitation finally began many old givers to separate agencies proved balky. The scheme collapsed and fell quickly into the discard.

Somewhat later New Orleans made an abortive attempt at federation which failed almost at once. Apparently the Jewish organizations did not join, and the Catholic were excluded. Thus two very influential

groups in that particular city were not within the scope of the new plan. But this in itself was not sufficient reason for failure. Other federations have succeeded without these two groups, although the circumstances were not quite the same. Neither Catholic nor Jewish agencies were included in the Cincinnati financial federation in its first year; but no policy of exclusion was adopted. New Orleans announced itself as a "non-sectarian" federation, including nevertheless certain agencies said to be Protestant in control. In addition to arousing feeling on the score of religious prejudice, patience, tact and helpfulness were not displayed toward the agencies or the public. Promises were made that could not be kept; and the inevitable result was dissolution. About ten years elapsed before New Orleans made another try at combination, this time to score a marked success.

Salt Lake City and Birmingham were two other cities which set forth on the road to federation, and abandoned it almost at once. In all these cases there was haste, lack of preparation, a failure to grasp the essentials of hard work, careful planning, infinite tact, and true coöperation.

Opposition Abroad

In the meantime those federations that did succeed were confronted with opposition not only at home but also abroad. Federation attracted universal attention in philanthropic circles and aroused a great deal of discussion. Professional leaders of social work in the large centers, particularly of the East, were disturbed. The influence of commercial bodies caused suspicion; and not a few men and women of prominence in the field of social endeavor pronounced it an attempt

to wrest control of their own professional activities from them. This incubating period of the movement was a time of great unrest in social work. Experiment after experiment was being tried; and many of the best heads in the business were outspoken in criticizing various phases of the industrial order which seemed to them to be unjust to the poor and to the average man. As often happens, this demand for a more socialized industrial society was voiced by extremely individualistic social workers. They urged social discipline upon the entrepreneur, and resisted its application to themselves.

National agencies founded upon local societies, many doing the same work, were consulted by their locals about the desirability of joining federations. Doubts possessed the national leaders naturally enough. They were relatively isolated chieftains, each charged with the sole duty of promoting the particular lines of work represented by his units. They knew little of the causes which were coalescing into the federation plan, the national field having not yet been affected by demands for efficiency, economy and fair play. And finally they were thoroughly alarmed over the intense local-mindedness of the federation promoters.

Disconcerting Threats

The movement did contain a series of apparent threats which were disconcerting. No one could say with authority that it would succeed; and if it failed it was probable that more harm than good would come to the participating agencies. Unless it should be developed with the utmost tact and consideration social programs might be upset; and if any malign purpose did exist in the mind of commercial interests it was

by no means impossible that a serious thwarting of social reform might result. Executives of units in localities where the plan began to be discussed were alarmed, and urged the nationals to formulate policies in regard to it counseling caution. They were relatively in the same position that the executives in Cleveland and Cincinnati had been many years before when the plan was first broached to them. Indeed, it speaks well for the generosity of social executives up and down the land at a period when so many of them were of the creator-promoter type, in which self-sufficiency plays no mean part, that they should have received with open-mindedness or with any consideration at all a scheme that promised to rob them of some of their promotive opportunities, and to make them a part of a whole. It is a tribute to the generosity of spirit and fair-mindedness of those who have built up social work in this generation and who manage it. They fought hard for what they conceived to be the right; but they stopped, looked, listened, and weighed the evidence in the scales of equity before they took final sides.

A number of national agencies made general inquiries in regard to the federation plan during this period of development and made pronouncements upon it. One of the most intelligent studies was conducted by a committee of the American Association for Organizing Charity which issued a lengthy report on the subject in 1917. W. Frank Persons, at that time Director of General Work of the New York Charity Organization Society; Fred R. Johnson, then secretary of the Boston Associated Charities; Eugene T. Lies, then General Superintendent of the Chicago United Charities; and William H. Baldwin, member of the Board of Managers of the Washington Associated Charities, composed

the committee. Fred S. Hall of the Russell Sage Foundation collected and prepared the data for the study.

An Attempt at Appraisal

Much material was gathered from ten of the then existing financial federations, and from several of the defunct or suspended federations, of which there were then six.* Statistics were thoughtfully compiled to find out whether gifts had increased, givers increased, and the cost of money raising reduced. Opinions on mooted questions were sought from federation secretaries, agency secretaries, board members, and givers. An attempt was made to measure the social results of the movement in the cities where it thrived. The conclusions and recommendations when finally formulated and issued in 1917 were not exactly flattering to the federations. They illuminate very well the doubts and difficulties that beset the world of social work at the time, and are therefore reproduced here.

"1. Measured by total contributions, financial success appears to have been usual in initial federation years except where there has been inadequate preparation and organization. Financial success is much less surely shown when later years are taken into account, and failure is indicated in the one city where there has been a long experience. But the gains achieved have been based almost uniformly upon methods of financial work which in our judgment do not tend to build up as stable a constituency as most organizations in non-federation cities now have. Moreover, many and wide variations exist in the extent to which the constituent

* Five of these cities where the first attempt at federation failed have since returned to the movement and created new federations.

organizations have or have not shared in the total gains, this fact resulting, in some federations, in varying degrees of satisfaction with the situation. Finally, a system of reapportioning the community's gift income among its organizations has been set up, regarding the ultimate benefit of which we have grave doubts. In most federations the cost of collection has probably been reduced below what it might have been under average unfederated conditions, but the gain has not been a marked one.

"2. On the educational side there has been an undoubted gain in certain cities, due to their federations' publicity efforts, and some gain in all cities to the extent that joint appealing makes the breadth and variety of social work better realized. But even in the federation cities that have done the best educational work we recognize a tendency, which seems to us inevitable, toward a loss of interest resulting from the lessened contact between givers and the objects of their gifts, and we very much doubt whether this has not more than offset all that has been gained by organized publicity and by the one educational element in joint appealing just referred to. A failure to develop interest makes difficult the development of social intelligence, with unfortunate results on every side. We recognize that in most federation cities there have been increases up to date in the number of people who are interested to the extent that a campaign contribution shows. But because these increases have been gained by whirlwind campaign solicitation we feel it is not yet safe to base any important conclusions upon them.

"3. On the social side the gains of the federations that have attempted social work have been considerable. The fact, however, that so many federations have neg-

lected social work indicates a tendency which grows out of the imperative character of the financial problem which it is a federation's first duty to solve.

"In weighing the considerable testimony that indicates gains in federation cities along educational and social lines, we have kept in mind the fact that in many of these cities modern unfederated methods of coöperative effort have never been developed. Comparisons of each federation with its own earlier situation are therefore not altogether conclusive.

"Alongside of the facts which we record regarding federation cities, we place our conviction that the existing order has not been weighed in the balance and found wanting. In many cities in which no federations exist progress has been steady and important, both in educational lines and in organized coöperative social work—quite as important, even though possibly not as rapid, as that which has taken place in certain of the federation cities.

Inadequate Evidence

"Throughout our study we have been conscious of the inadequacy of the evidence available, this being chiefly due to the short history that most federations have had. The only federation whose experience has been adequate from this standpoint, the Denver Federation, was unwisely managed until very recently. When federated organizations in that city were asked whether they would recommend the formation of federations elsewhere, the weight of advice received favored delay by other cities. The advice was almost equally balanced from organizations in Cleveland where the Federation with one exception, has had the next longest history. From Baltimore and Cincinnati only six and

three organizations respectively replied to the inquiry, and only one from each city advised others to follow their example at once. The four Dayton replies expressed no very clear opinions in one direction or the other. The Federation in South Bend is the only one from whose organizations a clear preponderance of advice was received in favor of the formation of federations elsewhere at once.

"We who are in non-federation cities are indebted to those who have been brave enough to be pioneers in this important matter, for it is only through experiments that the plan can be tested. Our recommendation, however, to those for whose sake primarily this study has been made, the social workers and others in cities in which the formation of federations is being considered, is very positively against any adoption of the plan at present. Fourteen cities are now experimenting with it under quite varying conditions and with several different types of organization. We feel strongly that this is experimentation enough.

"Whether the federation plan in any city means a net social advance or the reverse is yet to be demonstrated. No demonstration, moreover, can be made in the next two or three years. The more far reaching effects can hardly show themselves in that time. It must be recalled that the forming of a federation means an immense amount of work, which is wasted unless the federation accomplishes more than the constituent associations could do. Unless this result is very probable, federation should not be undertaken.

"If those responsible for decision in any city are convinced that federation may safely be tried, a choice must be made among the several quite different plans of organization now in operation.

"It is important in this connection to recall that as a result of wide advertising of the Cleveland Federation, and of missionary work on the part of its officials in visiting other cities and presenting the subject, the Cleveland plan or organization was imitated in most of its details in Dayton, South Bend and Erie, and to a considerable extent also in the reorganization of the Denver Federation, and that now the original Cleveland plan—so far as relates to the Federation's scope and the selection of its governing board—has been discarded by its sponsors, and another substituted regarding which much optimism is felt that it will bring the improvement needed. The fact that after an experience of four years the Cleveland plan needed to be radically and fundamentally changed is as important as any one thing that can be said about it.

Mistakes of Management

"We recognize that many of the federation difficulties that we have discussed, or recorded in the appendices, are due to mistakes of management. The secretary of one of the large federations states that 'no important movement has suffered more from hasty organization, inadequate preparation, and amateurish leadership than the federation movement.' In reaching our conclusions we have aimed to distinguish between mistakes and essentials. But this distinction is frequently difficult in the early days of a movement. For instance, the secretary just quoted holds that immunity, though universal, is not essential to the federation plan. There are also the 'near essentials' to be considered—courses of action sometimes unfortunate, which appear in even the most socialized federations, but which possibly could have been avoided. Our report is for the

benefit of those who are considering federation. Some of them will undertake it. For them as well as for those who postpone the experiment, we believe it is important that experiences of this sort should be recorded.

"It should be remembered that to a considerable extent when an organization enters a federation it burns its bridges behind it. The secretary of one of the large federations writes: 'Obviously, after a few years of giving, which is almost altogether undesignated giving, it will be very difficult to restore designations or even to restore the old unfederated order.' This is of course true only if the federation lasts long enough for what we fear are the disintegrating tendencies of the plan upon the organizations' relationship with their constituencies. It is this that makes an organization hesitate to withdraw from a federation even when convinced that its work is being injured. In the six federations that have been abandoned or suspended there was not time for these forces to operate to any important extent, for the experiments lasted in no city more than a year and a half. In our judgment, this explains the fact that several correspondents from such cities report no difficulty in re-establishing financial relations with their former contributors after the federations were dissolved.

The Biggest Obstacle

"A few months ago Mr. Williams stated that 'the biggest obstacle to the success of the federation plan is that its logic is too good—it looks too easy.' This is very true. It partly explains the great mortality among federations. Five out of twenty have been abandoned

and one other has suspended operations. The abolition of competition in the financing of social organizations, for the sake of avoiding its waste, is as attractive a proposition in theory and apparently as logical as the abolition of competition in business, which is championed in part on the same ground. But in the social field, whether we agree or not regarding the economic field, there are spiritual and psychological factors which leave doubts as to the ultimate advantage to be derived from giving up a plan of work which has behind it the experience of more than one generation of social workers, in order to adopt one which, according to many who are in a position to know, is still in its experimental stage."

It was a judicial report, prepared by men truly solicitous for the welfare of social work, who came from conservative centers where the protest of donors against a badly organized system of philanthropy was not noticeable. Unlike their contemporaries in Cleveland, Cincinnati, and other newly federated cities, the problem of federation was an abstraction to them and they were free to think about it, without pressure from their supporters. It was moreover an abstraction that had elements of disturbance in it, and possible threats to a movement for which they were deeply concerned. They said in effect to their associates in the family welfare field: "Wait until this experiment proves itself. It has by no means proved itself as yet." In fairness to them we should add that after the war one of them served as associate secretary of one of the largest federations for several years, and another of them in an extensive report prepared for the city of Columbus recommended federation to that city.

The Catholic Charities of Chicago

At about this time a movement for coördination appeared among the Catholic charities of Chicago. In 1917 the Associated Catholic Charities of Chicago was organized with the announced purpose of getting, through one annual appeal, funds to finance the Catholic charities of the Archdiocese. Year by year this organization has raised a large sum of money that has been distributed among the Catholic charities of the territory. Direct solicitation by the agencies has not ceased, and the sums given to them from the united appeal are supplemental to their own efforts. No attempt is made to raise the entire budgets for them. No budgetary review or control exists.

Somewhat later, in 1920, the Catholic Charities of the Archdiocese of New York was established. Its purpose was to coördinate the philanthropic organizations of the church, of which there were about 175, to raise the standards of service, and to expand service to meet larger needs. Incidentally, it has conducted a canvass among the parishes, raising approximately $1,000,000, which is used to supplement the funds of its agencies. A similar coördinating movement has appeared among the Catholic agencies of other cities.

Similar to these two Catholic federations, in that it is an auxiliary to institutions rather than a full-fledged coöperative with comprehensive purposes, is the United Hospital Fund of New York, organized in 1879. It solicits funds for fifty-eight hospitals in Greater New York, and distributes them without regard to race or creed on the basis of days of free treatment given by each hospital and the per capita cost per day. Reports are made upon uniform schedules covering work, in-

come, and expenses; but the organization does not raise the entire deficits of the hospitals, and does not control their budgets. To join the United Hospital Fund a hospital must be incorporated, have 35 ward beds, give at least 5,000 days of free care annually, and maintain a high standard.

CHAPTER VII

THE WAR CHEST AND ITS INFLUENCE

No movement in American philanthropy was more profoundly influenced by the civilian activities of the World War than the coöperative movement. A great nationalistic fervor seized practically the entire population. Nothing like the united, whole-hearted consecration and devotion to the common cause that possessed us then has been witnessed before or since by the citizens of the American Republic. Those who were not under arms were eager beyond words to serve those who were. They knitted, sewed, cooked, sold bonds, raised funds, and worked on munitions and the accoutrements of battle in a perfect frenzy of patriotism.

Giant Appeals

The curtain had scarcely risen upon the great drama before social service organizations took the stage appealing for money with which they might assist the soldiers. First the Young Men's Christian Association; then the Red Cross and Young Women's Christian Association; next the Knights of Columbus, the Jewish Welfare Board for Army and Navy, the Salvation Army, and the War Camp Community Service presented their claims, and received giant sums. A flock of smaller fry followed who came into existence to help the heroic French and Belgians, and to perform many miscellaneous war services. It was literally one cam-

paign after another, one appeal on the heels of its forerunner.

Conservation was one of the slogans of that period, and it took a little less than a year from the time the United States declared war for both givers and campaign workers to realize that there was no conservation in these successive tremendous money-raising campaigns. So the war chest was conceived on the principle of financial federation.

Syracuse and Rome, New York, were among the first to adopt the plan. Columbus, Detroit, Cleveland, Rochester, and Indianapolis followed suit. The movement swept midwestern and western America, and penetrated into scattering parts of the east. Big cities like Philadelphia, and agricultural counties, fell in line and produced their "quotas." The State of Michigan organized on a state-wide basis and created the Michigan Patriotic Fund. Philadelphia raised twenty millions of dollars; Detroit and Cleveland ten and a half millions each. No one ever knew how many of these war chests there were, or how much they produced, although at the close of the war it was said there were close to four hundred of them, and they were supposed to have raised far over $100,000,000. All of them succeeded from a financial viewpoint. Philanthropy, hitherto a meek, half nourished child, suddenly blossomed forth swaggering and overfed.

Unpleasant Features

There were certain unpleasant features in many of these war chests. Most of them were in the main the exclusive creatures of givers and volunteer workers. They represented a givers' and workers' revolt against the fund-raising practices of philanthropy much more

clearly than any of the early federations. In this instance there was a good deal of justification for the revolt. The big agencies, long organized and well equipped for war work, made demands that were hard enough to meet, both in funds and in time. In addition to these an increasing horde of new enterprises started begging, some poorly conceived, others good enough in conception but badly led and organized. The old home charities had to keep on asking. And finally there were the demands of the government, exacting and insistent.

The evil of this every-organization-for-itself basis, which had been only mildly apparent while local movements had the field to themselves, was thrust forcibly home by the medley of new giant war activities. It came as an added burden to a people already distraught with demands for food conservation and greater production, higher taxes, increased cost of living, and the worries of the war. Insurrection, quick insurrection, was inevitable. Unlike the slow and sane evolutionary process that was bringing about the local federation before the war, the war chest broke into the national arena as a swift revolutionary movement with all the faults and dangers which accompany hasty overturnings of even the worst of systems.

Revolt of Givers

Most of the faults were an outgrowth of the failure of the big national movements to understand that the demands of each one of them were so heavy that the people obliged to raise the money in the separate cities were bound to pool interests in short order to save themselves, unless the dominant national societies formed a national federation. Because of the failure

of the national leaders, their representatives in charge of the respective local units were slow in assuming any vital leadership. The revolt, therefore, which had created most of the war chests was led and manned by the volunteers who had to raise the money, backed by the big givers. Many of these leaders were extremely energetic persons who had not previously been active in the creation and conduct of social work. They were more likely than not to misunderstand the sentimental background of the various agencies, which is, and always should be, the heart and soul of their existence. Frictions resulted which at times became serious. Another fault, the natural consequence of ignorance, was lack of judgment in appropriating money. The instinctive attempt, which arises with the founding of any organization of this kind under such auspices, is to try to make it comprehensive, and to stop all solicitation other than that carried on by the central body. Federations in the period before the war, working their way slowly and cautiously into their positions, had sensed early the futility of any such conception.

Any group of men setting out to control all solicitation are setting out upon an impossible task for themselves. Their judgment is finite and fallible. It is almost certain that some of their decisions will be wrong; and it is an absolute certainty that enough people will believe many of their decisions to be wrong to make it both undesirable and impossible to submerge all other solicitations. Private philanthropy is a valuable mode of spiritual self-expression. The people have a right and a duty to keep it free from graft and to regulate it into usefulness and effectiveness. It takes knowledge, experience, and wisdom, which is the combination of these two, to regulate it safely. Those

who try to do it without these qualifications will inevitably bungle the job and be punished by the people, who guard jealously their rights to spiritual self-expression.

Trying to Stop Solicitation

Most of the war chests publicly stated that they intended to provide enough money to stop all solicitations for war purposes and to take care of all war appeals. Such a promise was impossible of delivery. The persons who made it set up a dilemma for themselves, because it was inevitable that many appeals would be made for projects that honest men, or the apostles of social efficiency, could not endorse. Yet, having made the promise, the appeals had to be endorsed and supported; or the promise could not be kept. If unnecessary and useless appeals were accepted, the responsibility that the public expected of the community was promptly replaced with irresponsibility; and if they were not accepted the public had a right to complain when the appeal was made outside of the war chest. Associated with this attempt at comprehensiveness was an occasional injury to some of the national organizations, that came from a failure of the local committees to understand their habits, backgrounds and fields of operation. The war chest was an intensely local organization; the great war agencies were national and international in their sphere. The Red Cross, Jewish War Sufferers, and Armenian and Syrian Relief Committee had a right to demand protection in the fields they occupied from encroachment of small irresponsible relief committees. These agencies were struggling to correlate their own fields, to bring order out of chaos, and to render a degree of real efficiency. By attempting to give to all relief agencies soliciting, some of the war

chest committees no doubt hindered the operations of the great societies, and set back the very processes of centralization and responsible control which they said they were forwarding.

Out of the experience of the war chests came a lesson to many parts of America, that federation, while offering membership to any responsible charitable, philanthropic or civic agency coming within its general scope, may yet not attempt the impossible task of trying to stop all solicitation for charitable work. It was a valuable lesson, especially for irritated big givers, even if it was learned by costly and expensive methods.

Ignoring the Budgetary Principle

Another mistake made by many of the war chests was a complete ignoring of budgetary principles. A federation's constituency is entitled to know in advance most of those things for which the money is to be appropriated. Occasionally an emergency arises to which an extra appropriation must be made; and occasionally some new venture is promoted in the interim between campaigns to which, after due deliberation, it seems desirable to make an appropriation. These, however, are isolated affairs, and the modern federation has learned to tell its public in advance the enterprises upon which most of its money is to be spent. Then, if the judicial poise disappears, and unwillingness to submerge personal dislikes in a harmonious pooling of interests crops out, the people are warned in advance and may act accordingly. This assurance to the public may only be made through adopting the budgetary principle. Many of the war chests merely announced that they would raise money for all war purposes, not stating specifically where the money would go; and

later some of the largest and most responsible of the war agencies found themselves confronted with a real battle to secure any money at all, because of personal grievances on the part of some of the war chest managers. Many appropriations were also made that showed hasty judgment and a complete failure to understand the public mind. In one city a heavy proportion of an extremely large fund was raised from the laboring class. The first appropriation made by the war chest of that city was to equip the home guard, a local militia organized with laudable motives in numerous places to replace the national guard. The men who composed it were sincere, earnest citizens, keen to perform a public duty, but one of their prime duties, obviously, would be strike service if the state called them into action in case of labor trouble. The appropriation brought a justifiable storm of protest from an extremely large number of donors belonging to organized labor, who believed that their own money was being unfairly converted to an organization that might be used against them in a way that would be disastrous to their own interests. Here and there also religious prejudices arose in war chest distributions. In one city a group of Protestant ministers raised a vigorous objection when the Knights of Columbus applied for their quota after a campaign had been conducted that did not specify any agencies as beneficiaries and that collected from Protestants, Catholics and Jews alike. Fortunately this obstacle was overcome in that town; but unnecessary prejudice was aroused.

It was a rare war chest that recognized the sentimental hold the respective organizations had upon their constituencies. A Catholic had a peculiar interest in the Knights of Columbus, a Jew in the Jewish War

Sufferers, a Protestant in the Young Men's Christian Association, and a Red Cross admirer in the Red Cross.

Many of the war chest advocates do not appear to have thought about this at all. To them giving was simply an obligation attendant upon the prosecution of business; and the distribution of funds was frequently seized with that spirit of arbitrary compulsion that was part of the fanaticism of the time.

Unsatisfactory Appropriations

In many places dissatisfaction appeared with the appropriations, which wisdom dictated should have been fixed within reason beforehand. Each war agency had its ardent boosters in each home town who demanded appropriations greatly out of proportion to a just and fair division of available funds. Some of these men had their way because it was hard to refuse them; and the other agencies received a meagre share. Little agencies which could not by themselves raise much money, and had no ability to spend large sums usefully, received sums altogether too generous. It was a time when imagination broke the leashes of matter-of-fact practicability, and people who had thought only in terms of thousands of dollars suddenly visioned hundreds of thousands, and reached out to get them.

However, these were passing faults, a part of the hysteria that prevailed in those mighty years; and it was by no means a misfortune to have them brought to the surface at that time. They taught valuable lessons quickly and forcefully, thereby saving much tribulation in later years after the country settled down to the humdrum basis of peace with the coöperative movement growing by leaps and bounds.

Good Points to War Chests

The war chest was by no means all bad. It had some consequences vastly important to the movement. In the first place it picked up a scheme of reorganizing philanthropy that had been struggling extremely hard to get a foothold; and it spread the ideas making up that scheme rapidly and comprehensively the length and breadth of the land. There is no doubt that the federation movement gained a momentum in one year that would have required possibly ten years of peace-time activity. Many cities reorganized their war chests after the war and perpetuated them as peace-time federations. In other places where the war chest was not retained the seed of federation had been sown, and great lessons in coöperation had been learned. National agencies living in splendid isolation in a large measure prior to the war discovered all at once some of the elementals of coöperation among themselves, and of coöperation with the givers throughout the country.

Late in 1918 seven of the great agencies engaged in providing various facilities for the Army were brought together by Secretary of War Baker into a coöperating administrative group and in a great national federation known as the United War Activities. They combined in a joint campaign that occurred just at the moment of the Armistice. Not all of them were whole-heartedly enthusiastic participants, and their period of comradeship was too brief. If the war had lasted another year they would, of necessity, have learned lessons that would have gone far in producing an understanding of the values of coöperation on a national scale that will now take many years and much tribulation to learn.

New Standard of Giving

A final consequence, that can be attributed only in part, however, to the war chest, was the acquisition by the American people of a new standard of giving. The giant campaigns and the numerous appeals placed in an enormous setting, stimulated by a vast emergency, opened wide the hearts and purses of the people who poured into the lap of philanthropy sums equal to the ransom of kings. Once acquired, this habit could never shrink to the minor proportions prevailing before the war; and the war chest, converted afterwards into a community chest, may properly claim its share of the credit for sustaining the habit, not upon those titanic proportions of war days, but upon a scale of generosity as far removed from 1916 as 1916 from 1850.

The Cincinnati War Chest

It will be well to review briefly the story of one or two of these war chests in order to get a more intimate picture of their profound influence upon the federation movement. We will recall that Cincinnati in 1917 was still struggling to establish its federation on a modest basis, making steady but slow progress in coaxing agencies to join, and increasing gifts and givers. The early days of the war caused more or less difficulty to the federation there and the local agencies. Attention was distracted by the great emergency and they were in grave danger of losing support. Then the war chest appeared, raising upwards of two million dollars, an unheard-of sum even in a city that had already learned many of the essentials of generosity. It is noticeable in that community, as in other places, that many of those who took charge of the war chest were

men who had previously held aloof from active management of the federation. Two federated bodies now existed—one the Council of Social Agencies struggling with the problem of local charity financing, and the other a war chest, raising and appropriating money for war emergencies. As time advanced it became evident that the local organizations were being hard pressed to secure their budgets, and an appropriation was secured rather reluctantly from the war chest to meet a deficit that the Council of Social Agencies could not cover. Thus began a start at a rapprochement. In the meantime, the war chest, like some of its counterparts elsewhere, was none too popular with its public. Appropriations were made that did not meet with favor and a number of misunderstandings of the givers' wishes arose.

When the war came to an end the city faced the problem of how to conserve the spirit of giving generated by the war, and at the same time to overcome the prejudices generated against joint genorosity by the war chest. As things turned out this lack of popularity was not entirely a misfortune for the Council of Social Agencies. It had patiently met rebuff with a generous spirit, offering to the distracted management of the war chest the wisdom gathered by its years of communal experience; and had succeeded in creating in the minds of the more thoughtful sponsors of the war enterprise a confidence hitherto lacking. So after a great deal of negotiation the interest of these men was converted to a new and larger federation known as the Community Chest, which undertook a much more comprehensive pooling of local agencies than before the war. Eventually the Community Chest and

the Council of Social Agencies were combined; a very high level of giving, especially among the larger givers, was preserved; and the Cincinnati Community Chest and Council of Social Agencies stood out as an organization held high in the esteem of its local public and in the forefront ranks of the federated movement of America.

Cleveland Advances

In Cleveland a somewhat different development was recorded. Like Cincinnati, a war chest had been established quite apart from the local federation. Like Cincinnati again, the federation had struggled along raising its own money in the face of handicaps, and the war chest had come to its assistance during the progress of the war, appropriating to it those sums which it was not able to secure for itself and which were necessary to balance its budget. The conduct of the war chest, however, had been upon a high plane. It had acquired and held the confidence of the people; and so it was easy and natural to convert itself into the Community Fund at the close of the war for the purposes of financing the current expenses of the local agencies. It was reorganized and undertook to raise money for the Welfare Federation, the Young Men's Christian Association, which had previously remained outside the federation, and for the Jewish federation, which had also kept itself aloof. The level of generosity that had prevailed before the war was increased several fold, and Cleveland with a financial instrument that was in effect, if not in fact, a federation of federations, maintained its leadership among the federated cities of America.

Detroit and Rochester

In Detroit and Rochester rather different and yet significant developments took place. In 1913 Detroit, a rapidly growing city, had found itself confronted with unemployment and an extremely weak philanthropic structure to grapple with the problem. New blood was infused into the charitable work, and from that year the city had been working steadily toward a reconstruction of its philanthropies. At the opening of this period there was not much, outside of an excellent Young Men's Christian Association and a United Jewish Charities, to commend the city to the general attention of the philanthropic world. The new group taking control of the Associated Charities, an agency that had never risen to any high standards of family welfare conduct, began a series of moves leading toward some form of coöperative enterprise. Family welfare work was turned over to the city, and the Associated Charities was made the financial instrument of three or four smaller agencies. By 1917 it was felt that the time was ripe to talk in terms of a larger federation. Consequently the wheels were started to create a council of social agencies. This was accomplished in January, 1918, and plans were immediately launched to begin the organization of a local community financial federation. Before the undertaking was well under way the great war appeals had come upon the stage. It so happened that those in charge of the destiny of the Community Union, as the council of social agencies was called in Detroit, were the ones most intimately associated with the Red Cross campaigns and many of the other war appeals. So a decision was promptly reached to create a war

chest which would finance in one campaign the war appeals and the agencies of the Community Union. Another organization was therefore built up, known as the Patriotic Fund, and under its auspices the first great campaign was conducted in May, 1918.

Different Principles in Detroit

Unlike most war chests, the Detroit Patriotic Fund was built upon the principles which the experience of peace-time federations had demonstrated to be useful. The board of directors was chosen from those intimately associated with the Red Cross, the Young Men's Christian Association, the Knights of Columbus, the Jewish War Sufferers, and the local agencies. Appropriations were agreed upon in advance, and an ample reserve fund set up to care for such other war appeals as the board of directors might feel were worth supporting. The utmost harmony and good will prevailed between the war agencies and the local agencies from the very outset. It was recognized that most of the money was being given under the urge of war emotions, and provision was made that any contributions in excess of the established budget of seven and a quarter million dollars would belong of right to the war agencies rather than to the local agencies.

For the first time in the history of philanthropy in Detroit the best financial brains of the city were put actively and aggressively at work upon the financial problems of charity. This was occurring in community after community throughout the United States; and its occurrence left an imprint upon community giving that has been profound in its influence after the war. Detroit oversubscribed its Patriotic Fund

by three million dollars. The administration of it was careful and cautious, the public pulse being constantly felt, and general satisfaction existed. When the war was at an end those who had formed the directorate of the Patriotic Fund, believing that they had a contribution to make to the philanthropies of the city, continued the organization in existence, changing its name to the Detroit Community Fund, and assumed definite responsibility for raising money for the Community Union and a number of national appeals that came as an aftermath of the war. From the outset the Patriotic Fund and the Community Union had worked in close harmony, occupying the same office, employing the same staff and using an interlocking directorate. These practices were automatically continued. While it was not possible for Detroit, with a poor giving history back of her, to maintain a level of giving commensurate with cities that had learned the elements of generosity to local philanthropies long before the war, enormous gains in the number of subscribers and in the total gifts were scored. The agencies for the first time were adequately financed and a program of education and extension was entered into.

Rochester had a somewhat similar experience. Under the influence of George Eastman, a man of great generosity and community vision, the Patriotic Fund was established, which financed not only the war activities but the local charities as well. A spirit of unusual community solidarity was developed; and when the war came to an end the Patriotic Fund continued naturally and easily as a local federation under the name of Rochester Community and Patriotic Fund. It has raised amazing sums of money, and brought to

Rochester a high degree of social service administration.

The Spread of Giving

Two influences of the war chest that have been lasting and profound remain to be discussed. The first of these is the spread of giving. Prior to the war consistent giving was regarded as the privilege of wealth and of the commercial classes. It is true that the tag days growing up in the early years of the twentieth century had expanded this habit somewhat; but its application was sporadic and haphazard through this medium. It is true also that the churches, particularly the Catholic church, took up collections for parochial charities among their parishioners; but at this time a little less than one-half of the American population acknowledged allegiance to any church; and the ways and means of gathering these collections were not very productive. The Christmas seal also had come into widespread vogue, and in a small way was reaching a larger giving constituency than previous methods had permitted. In 1916 the Cincinnati Council of Social Agencies had made some experiments in soliciting among the industrial workers of the factories that promised real results; but this development before the outbreak of the war was purely experimental.

When the giant requests of the war period were presented to the known givers of the community it became evident at once that a much larger participation must be had in giving if the sums asked for were to be raised. Consequently the factories, stores and places of employment were thrown open to the war chests for solicitation, and for the first time it became possible to reach practically 80 or 90 per cent of the adult people at their

places of employment. Hence an enormous spread of giving was secured overnight. The Detroit Patriotic Fund, for instance, was made up of gifts from over 360,000 individuals, and similar proportions were maintained everywhere in the country.

When peace-time activities had settled over America again this habit of factory, shop and store solicitation was continued by the community chests and federations, making a range of givers that realized the early prognostication that the federation movement would eventually democratize giving.

Coöperation in National Work

The second influence was in the field of national social work. We have already mentioned the United War Fund Campaign which gave to some of the national agencies a picture of the values of possible coöperation. Another influence was put to work in the establishment of the National Information Bureau. While there was not much question about the merits of the major agencies at work with the army, a multitude of foreign relief and local patriotic societies was born out of the war, most of them with headquarters in the east, about which the average war chest could know little. These organizations sent representatives across the country asking for funds in the different localities; and as their number increased a realization dawned upon the war chests that they were making appropriations in the dark. Consequently, at the instigation of the Cleveland War Chest, representatives from Cleveland, Rochester, Indianapolis, Detroit, Toledo, Columbus and other communities near by were called together and a common agency to be known as the National Information Bureau was founded, with

offices in New York, whose business it was to investigate organizations asking for funds and to act in the capacity of an endorsement committee for all of the war chests. Its services were invaluable; and when the war was over this institution was continued, first paying attention to the large number of European relief and welfare agencies that continued; and later, as the people ceased supporting these, and they began to disappear, paying attention to the endorsement of national agencies operating in this country on a peace-time basis. So from the war chest movement emanated in the national field one of the early steps in the coöperative process—namely endorsement work.

Post-War Growth

What now of that eight-year period that followed the decline of the war fervor and the settling back of America to its usual occupations? The federation movement, stimulated and driven forward to sudden great advances by these thrilling experiences, has proceeded apace. Many of the cities and even the smaller places which had war chests have continued, like Detroit and Rochester, on a basis of a peace-time federation. Other cities watching the progress made by their sister communities have gone more boldly into federation than they otherwise would have done. In the early months of 1926 approximately 250 communities in America and Canada have their agencies united on the financial federation plan and are reaping the benefits that accrue. More than one-half of the cities of 50,000 population and over are now federated; the only ones of major importance that have not yet joined the move- and Washington. In all of them various coöperative ment being New York, Chicago, Boston, Pittsburgh

practices are in fashion; and in all of them except Washington and New York, as has already been said, studies have been made of finances and a vigorous, thoughtful discussion of the merits of the federated plan is going on.

The federated cities of the country are now raising the enormous total of approximately $60,000,000 per year for current budgets. Social work is being conducted in many urban centers on the basis of a great communal enterprise. The little handful of original pioneers have been joined by a vast host, increasingly eager and willing to recognize the place that social work should have in the necessary enterprises of the country.

CHAPTER VIII

PROBLEMS OF ORGANIZATION

NOTHING about the coöperative movement has caused more discussion than the problem of how it should be organized and managed. It has emerged out of two conflicting lines of conduct, and this conflict has been reflected more in the discussions of organization and administration than in any other phase of the subject. As we have already seen the commercial associations, representing givers, have approached the readjustment of social work with a plan devised in part as a medium for the relief of contributors from annoyance; in part as a protective association against imposture in solicitation; and in part as an instrument for the elimination of waste, and for greater efficiency. Social agencies have moved into alignment with readjustments to the old order of organizations, partly because they have seen some hope of softening the disagreeable business of money raising; partly because they have accepted a promise of more adequate funds; partly because they have seen protection from the encroachment of those who might duplicate their activities; and more particularly, because they have hoped for the improvement of the technical standards of social work all along the line. It is true these motives have not been unmixed. Many contributors have been active sharers of the point of view of the agencies; and many social agencies have shared the desires of the contributors. Nevertheless

the division has existed clearly enough, and has influenced profoundly the organization plans of the coöperative movement.

Emphasis Upon Organization

The great sweep which the federation plan of uniting social service agencies has had in the last twelve years has caused unusual emphasis to be laid upon organization schemes of federations, probably much greater emphasis than they deserve. A reason is readily found in the fact that, whether we like it or not, any centralization of fund-collecting does lodge in some one's hands more control over social work than anyone on the American continent has hitherto exercised. This is an inevitable result, and it is only natural that those who have been accustomed to running their own affairs should examine with great care and great thoughtfulness the mechanism of this new instrument to which they are giving a degree of authority that may possibly be abused. And there can be no doubt that the authority may be abused unless it is curbed by ample safeguards that will protect all of the interests and all of the purposes of social work.

Many vigorous and virile people have looked upon organized social work as an auxiliary to communal life which, in the event of necessity, could be dispensed with, without any special harm to the community. They have accepted charity as a fine sentiment, a thing that must be, an incident to the scheme of things; but they have not readily conceded many of the axiomatic principles of organized social work, which have seemed to their minds to be a medley of fads and fancies mixed with some excellent ideas, the obsessions of a group of zealous sentimental brothers and sisters, who lack

the urge for the competitive game of life. They think that these strange denatured souls are commendable enough, harmless enough, so long as they give relief to the suffering poor; but when too many of them tell their sob stories at luncheon time they become a nuisance; or when they get to tinkering with established rules of competitive economics in some attempt to prevent suffering they become trouble makers. Moreover it is very hard indeed for lots of people to understand why anyone should draw pay for dispensing charity. Somehow it does not seem quite ethical to them, and it takes away the pleasant tingle that comes from giving a dime directly to the object of one's charitable impulse.

Justifiable Hesitation

Social workers are always aware of this attitude. It accounts in no small degree for the "inferiority complex" that so many of them have when dealing with people of affairs. And being well aware of it, no one may justly criticize when they bluntly tell those who are promoting federation that they want to know whether the scheme to which they are yielding authority will be managed by their old friends on their own boards of directors who think with them, who believe in them, who are part and parcel of them, or whether it will be managed by some group that does not understand them.

The problem of organization, then, has been to lodge authority enough with the central group to bring to pass the desirable results of federation, and yet to curb that authority with checks and balances so that the possible undesirable results will be minimized. To secure any scheme that will do this has taken time and much experimentation. The final principles of organi-

zation and administration that are going into later day federations have been evolved, of necessity, through a process of trial and error.

Altogether some seven major plans of structural organization have been tried, with different variations within a number of them.

The Liverpool Plan

The earliest experiment, in Liverpool, appears to have been merely a pooling of gifts by a certain number of givers for their mutual protection. It was an association of givers and not a federation of agencies. Many of the war chests approximated the Liverpool plan in general principles of organization. The Rochester Community Chest states that it is still a federation of givers and not of agencies, although Rochester in practise follows quite different methods. A new development in New York, where the members of the fur trade are now trying to arrange a joint charitable fund of their own, is the closest approach we have had in America during peace-times to the Liverpool system. The gentlemen of this trade association expect to raise a sum of money from its membership. All who contribute will refer applicants for gifts to the central fund, which in turn will make appropriations to them if they can prove a satisfactory case to the distributing committee. It is chiefly interesting as an evidence of the seriousness of purpose of many givers to rid themselves of the annoyance of promiscuous soliciting; and as a warning to social agencies that if they do not unite with givers for mutual protection, the givers will unite without them. On the whole American givers have been very tolerant and very patient; and until this new venture appeared in New

York they have worked hard to retain an open mind, and to harmonize their points of view with that of the agencies.

The First Denver Plan

The second plan is the one used in Denver at first. As nearly as one may gage the thoughts of the Denver promoters at this distance, it is probable that they were profoundly influenced by the charity organization society movement which at that time was coming into prominence. We must remember that in the beginning of the charity organization growth a section of its sponsors looked upon it as a community organization program; and it is only more recently that this section has been completely submerged, and these societies have settled down in the family welfare field. Although the Denver people were seeking a charity organization society, they visioned a financial federation at the same time; and the thing that they created was in part an association of agencies, in part an association of people interested in philanthropy; and in part a family welfare society. There was a board of presidents of the societies with many *ex-officio* members, and a trusteeship for the handling of money. The plan lacked financial power, partly because of the time and the setting, partly because there was no driving responsibility, and partly because of the intimate association of the office with one of the major portions of the field of social work, family welfare and relief. Because of its financial weakness it did not correct duplication, at least in money raising, or lower administration costs, or command the necessary respect to enable it to steer the development of the field. So the society went through several reorganizations from the middle 80's

when it was formed until about 1922. Only the last two of them changed fundamentally the original conception of the organization.

Early Cleveland Organization

Cleveland in 1913 opened the new era of federation with plan number three. Here for the first time on the American continent we see the hand of the contributor shown plainly in his desire to bring about, through a pooling of contributions, those reforms that were close to his heart. The first proposal of the Committee on Benevolent Associations of the Cleveland Chamber of Commerce to the various agencies in the city was for a department of the Chamber of Commerce that would raise the money and disburse it to the agencies. Evidently it did not meet with the favor of the organizations; and the final plan emanating from the chamber was for a tri-partite board of trustees in which three groups were to have representation. One-third of these were to be elected by the organizations participating in the funds raised; one-third by contributors who raised the funds; and one-third by the Chamber of Commerce which had fostered the federation, and possibly in theory was supposed to represent the general public. Eventually, to appease the social workers, a so-called group committee was sanctioned within the federation composed of the professional executives of the agencies. It had no power, but it was given the privilege of recommending policies to the board of directors. The board of directors was in charge of raising the money and of distributing it—the work of distribution being through a sub-committee. This plan was copied rather generally by new federations up to the rise of the war chests. Under it a

number of the faults of the old system were corrected. Money raising power was accelerated; waste of expenditures was reduced; better public understanding was created; and it was at last possible to move faster toward the elimination of duplication; to start effectively to correct the uneven standards; and to begin to steer the community development in social work.

Nevertheless the plan when put into operation disclosed two weaknesses. It relieved the agencies both of money raising and of responsibility for an equitable distribution of appropriations, breeding thereby thoughtlessness on the part of the agencies in proportioning the expenditures among themselves. This carelessness was not counterbalanced by a sufficient increase in funds. For some reason, the early Cleveland plan did not enlist whole-heartedly and unreservedly one hundred per cent of the financing brains of the community. Just why it did not is a good deal of a mystery. Probably the method of choosing representation had something to do with it. Givers are seldom interested enough to attend a meeting to elect representatives of themselves. The theory that public officials, such as mayors or judges, or semi-public officials, such as presidents of chambers of commerce, can appoint people who are both representative of the public and at the same time have a deep enough interest in any given task to work hard at it, is not sound. Competitive processes of promotion through labor merit have very little play in the selection of a board of this type. Probably also the general attitude toward philanthropy in general, which we have already described, of the strong citizens who had risen through the might of their own abilities had not been replaced at this time by great faith in philanthropy. The federation movement

has shown a wonderful power in bringing about this replacement. But time is needed to accomplish such a result. This same attitude no doubt would have influenced any scheme of organization developed in those years; and federation has been compelled to make necessary changes in the conception of its own organic structure as faith in its community organization plan has spread.

The second fault of this early Cleveland plan was an inability to generate harmony. Social executives, who in that community were able and responsible people, were not knit into any official relationship with the federation in so far as shaping administration policy was concerned. To deny people who have been free and independent agents the usual prerogatives of freedom and independence is an excellent way to forbid harmonious operation. In effect the early Cleveland scheme said to the public: "Our social executives have failed as money raisers and as money administrators. Our boards of directors of the separate agencies are untrustworthy enough to warrant our taking two-thirds of the control of social administration from their hands and placing it in the hands of a body chosen by contributors and by a commercial organization." The surprise is that the executives and influential board members who were excluded from participation played the game at all. It was almost inevitable that a second organization would come into existence to give the more aggressive of these leaders an opportunity to express in community-wide terms their conceptions of community-wide development.

Cincinnati's Scheme

Cincinnati contributed the fourth scheme of organi-

zation. A council of social agencies had been set up in that town in 1913. It was a delegate body including some agencies that raised money and some that did not. Each agency elected two delegates, one usually the executive, and one usually a member of the board of directors, to serve on what was called the general council. This council, in theory at least, was the legislative and policy-making body of the federation. It selected a board of directors for administrative purposes, part of whom were contributors and part social workers. In 1915 this council created a financial federation as a department, made up of a number of its agencies. This was done by a simple device of creating what was called the centralized budget committee; one representative from each agency participating in the fund raising and distribution. The council itself, that is the delegate body, had authority over the budgetary group while this form of organization persisted in Cincinnati. The question was never raised whether this constitutional power would have proved effective had the budgetary group and the council proper come into conflict. The theory back of the enterprise was that the association of agencies itself was the fountainhead from which authority flowed. The Council of Social Agencies was the mother federation; within its arms might be nestled a number of minor federations each with a specialized function such as the one for financing, already outlined; another for central purchasing; a third for social research. As time progressed it so happened that the number of agencies in the budget committee grew and the financial body and the general body of agencies came to be more nearly identical.

In the fourth year of its existence, the Cleveland

organization reorganized along the lines of the Cincinnati group with some variations. The scheme was adopted with other variations in several other places from time to time.

It corrected the same faults that the first Cleveland plan corrected, and in addition held greater possibilities of harmony and of steering the development of social work. But, like the first Cleveland plan, it did not develop as much money-raising power as was needed. It failed to enroll in active service a complete roster of financing brains. Again the exact reason is obscure. The Council of Social Agencies as originally conceived drew its money raisers from those already on the boards of the agencies who, at that period of social service development, did not represent, as we have already pointed out, the comprehensive money-raising genius that has been enlisted for the service of philanthropy in these later days. It is noticeable that both Cleveland and Cincinnati, pioneers in the modern movement and both very successful, have changed their forms of organization repeatedly in their quest for that success.

Department of Commercial Organization

The fifth form of organization is best represented by the Kansas City and Des Moines federations. Here we have what is in substance a department of a chamber of commerce undertaking the task of raising the money. The distribution is in the hands of a council of social agencies, or a committee created in some fashion to represent the agencies. This form seems to have developed more money-raising power than those preceding it. Nevertheless, there are chambers of commerce which cannot command the necessary financial strength. Many of those which

might be able to enlist that strength will find difficulty in securing able people for committee work in an enterprise that at best is of secondary and not of prime importance to the foster organization. Critics in other cities charge that this method is less democratic than other forms, and is therefore not only dangerous to the well-being of social work but also lacking in strength to facilitate social programs and harmonize relationships. Cities that use the method deny the charge.

War Chest

The sixth experiment was the so-called war chest. Ignoring for a moment certain cities that created variations from the general scheme, the usual war chest can best be described as a limited corporation of a few men who set out to raise money from the public and to distribute that money on a basis of their own best judgment to organizations applying for it. The war chest in Rochester was conceived for more permanency than most of its contemporaries and illustrates well the conception of a pure federation of contributors. It is a corporation of eighty members, forty of whom signed the articles of incorporation and became the original board of directors, and forty of whom were selected as representing varied community interests. The successors of the original corporation are elected by the directors, eligibility arising from residence in Monroe County and a contribution to the fund. The main business of the members of the corporation is to elect the directors. The board of directors is made up of forty members who are chosen because they are representative citizens of the territory that comprises the operating field of the fund. The board is purposely selected to represent the re-

ligious, educational, social, financial, commercial, industrial and labor interests of the community. Directors serve for a three-year term—one-third of them being elected each year; and they in turn choose the officers of the corporation. The president appoints an executive committee of members of the corporation. The president himself, the treasurer, the secretary, directors of teams in the campaign, and chairman of the budget committee, serve as *ex-officio* members. A budget committee of six members is appointed by the president, as are other special committees. Its manager says: "The Community Chest is a federation of contributors and not a federation of social agencies and in that respect differs from most federations now in existence. If we had attempted to create a federation of agencies prior to the federation of contributors there is no denying the fact that many organizations would not have joined, whereas having secured the participation of all philanthropies on a financial basis, the federation on an activity basis will be a natural consequence."

The Community Fund or Chest

The seventh form of organization is the community fund, which has evolved in a considerable number of cities out of the six previous schemes. No standard form of organization exists and we can best picture its essential qualities and some of its more important variations by describing one or two such agencies.

Cleveland, we will recall, went through the stages of a federation of charities and philanthropies, then a combination of that federation with a community council, into an organization known as the Welfare

Federation, and not unlike the Cincinnati federation. Next came a war chest; and finally a community fund which is still maintained separate and apart from the Welfare Federation. It is governed by a community fund council of forty members, twenty being chosen by members of the Community Fund Council as it existed in the shape of the earlier war chest board; and their successors are elected by the entire membership of the council. Of the remaining twenty, twelve representatives come from the Welfare Federation; four from the Federation of Jewish Charities; two are elected by the board of directors of the Cleveland Chamber of Commerce; and the Mayor and Director of Public-Welfare of the City of Cleveland are *ex-officio* members. This organization raises the money through a community-wide campaign, and has exclusive authority over appropriations from its own treasury. It has an executive committee, appointed by its general chairman, of not less than seven members; an investigating committee that serves in the same relationship that a budget committee does to other organizations; a campaign committee; and a financing committee that acts largely as an investment committee. In addition the Welfare Federation exists which is to all intents and purposes a council of social agencies, including in its membership the social, civic and charitable agencies of the territory. Each of these agency members elects two representatives to a general board meeting quarterly for the discussion of problems and the promotion of social programs. The general board elects a board of trustees of twenty-four members, one-third of whom retire each year. The Welfare Federation actually plans the budgets for the agencies, and passes its recommendations on to the

Community Fund. It also carries on a very extensive program of social planning, education and correlative activity.

Two Organizations in Detroit

A somewhat similar scheme exists in Detroit. The Community Fund is merely the Patriotic Fund, or war chest renamed. It has a board of forty trustees who are self-electing and self-perpetuating. They are chosen to represent the following: those interested in Protestant social service organizations; those interested in Catholic social service organizations; those interested in Jewish social service organization; those interested in nonsectarian organizations; and various groups prominent in giving or getting financial support for social work. The usual officers are elected for one year by the board of directors, who make the Mayor of Detroit honorary president; the chairman of the local branch of the Red Cross, and the president of the Board of Commerce, honorary vice-presidents. The Community Fund raises and disburses the money.

A Community Union also exists, which is a pure council of social agencies with a board of its own composed of twenty-one members, plus officers, one-third of whom are elected each year. The Community Union writes the budgets through a budget committee composed of one representative from each agency participating in the funds. Each of these representatives is supposed to protect the interests of its agency in the distribution of money. The budget committee, being large, has an executive committee, known as the Accounting Committee, that does most of its detailed work. The Community Union and the Community

Fund, while existing legally as separate entities, practically operate as one, using the same office and employing the same staff.

The Best Farm

In trying to conclude what is the best form of organization from studies of existing federations throughout the country, one is amazed at the variation in type that has grown up. This is due to the fact that the federation movement itself has been a growth that has found it necessary to alter with changing conditions of locality, and personnel, and time. Certain essentials entering into all these types of organization have been beaten out on the anvil of experience, and may be regarded as fundamentals in any scheme of organization. Beyond these the variations are relatively unimportant except as they express the idiosyncrasies of the different communities.

C. M. Bookman of Cincinnati states the first essential very well: "The federation is an attempt to coordinate the activities of the independent, and for the most part, unrelated agencies without disturbing their individual initiative and responsibility. Joint action with local autonomy is its goal. The federation, which is the concrete expression of all the agencies of the community and which is not in itself a separate organization, should be certainly and surely built upon a representative foundation. The federation regardless of the way it has been established must not attempt to be an overlord, administering the affairs of the constituent agencies. The federation should be the machinery by means of which the agencies and their social workers function together. When new standards of work are being developed, the federated agen-

cies interested in those standards should help formulate them. The federation can safely exercise administrative direction, but should not exercise administrative control. From this it clearly follows that a social service federation should be entirely representative of the agencies, having only such powers as the coöperating agencies delegate to it."

Differs from Commercial Corporation

No doubt in the minds of some individuals who have been associated with the movement from time to time a thought has been prominent that a federation could be built on the lines of an ordinary corporation which is the result of consolidations, creating a uniform administrative control and a central paramount authority, relegating the agencies to organized departments of a single whole. From the point of view of efficiency the largest humanitarian results might very possibly be secured from such a culmination. But there are things entering into a federation other than the factor of efficiency. The most important factor is a widespread participation in social work by volunteers as well as professionals. We are confronted with the age-old contest between efficiency and the rights of the individual, between efficiency and democracy. Not the least important value in social service activities is the entrance of the citizen into some work which may do someone else some good. This is the primary urge that has created the separate agencies; making an outlet for the citizen's ethical promptings toward service. His ego and his pride are better served in separate agencies than in a completely standardized service. The right of the human being to make service his avocation is essential for a deepening communal spirit-

ual life, and it must be protected by preserving the autonomy of the agencies.

Agency. Autonomy

So, everywhere the federation movement has guaranteed autonomy to the agencies, creating an overhead instrument that resembles in its relationship to the agencies the federal government of the United States in its relationship to the various state governments. We find more and more a tendency toward the adoption of the delegate council of social agencies as a major plank in the general scheme of organization. It guarantees to the agencies autonomy and the right to practice the type of social work that interests them. It lodges with the agencies themselves the initiative in making budgets and in membership admittance, which are the heart of the community control exercised by the federation. It also guarantees to those interested in efficiency that the social work program will be correlated, coördinated and made as harmonious as possible through the coöperating group.

The Money Raiser

The second essential in the modern movement has been to provide a separate place where those who are skilled in raising money, and who prefer to express their service inclinations through money giving or money raising, may have their own machine free and independent also. Consequently we find in many of the most successful cities a second organization known as a community fund made up of the money raisers and money givers, and under their own control. It raises the money and reserves to itself a veto power over budgets and admissions. It is only by granting these

privileges to the money raisers and money givers that the greatest money-raising power and the greatest communal harmony can be secured for social work. The reasons are very simple. Men who devote their entire time to financial questions and are most successful in financing enterprises in the economic world are willing to donate their services and can command the services of their associates for pure social finance, if the problem is put to them as a cohesive group, if they may have a free hand at it, and do not have to be bothered with questions of social technology four-fifths of the time. Simon-pure social finance whets their appetite. They are at home with any problem of finance, and they are just as anxious as anyone else to serve their community by doing some task in which they do feel at home. They are not case workers, or protective workers, or settlement workers, and they do not want to bother with discussions on these subjects. They are interested in the broad outlines of a social program, but they do not want it too much complicated with social technique. Furthermore, they must be the financing organization itself, and not a financial subcommittee of some other organization.

The Most Difficult Problem

In the evolution of the coöperative plan the most difficult problem has been to give the money raisers and the money givers the position in the scheme of things that suits them, and at the same time keep them from acting the part of autocrats. The self-perpetuating community fund structure has been justly criticized as an autocratic conception, in that the ultimate control of appropriating rests with an exclusive body usually made up of influential givers with here and

there a few social workers included. It is well to remind ourselves once more that central authority is inherent in any federation plan; and federation must be accepted with this knowledge, and with a determination to work out checks and balances and modifications of arbitrary power. The real kernel in the federation nut is to temper arbitrary authority with justice and discretion; and to build such power and strength in the social agencies themselves that the only question ever raised in regard to appropriations are those revolving around fair distributions within the limits of available funds.

Two Essentials

These two essentials, autonomy for the agencies in a coöperative scheme for the progress of social work and freedom for the money raisers to carry on their work as they see fit, have been worked out in Cleveland, Cincinnati, St. Louis and Detroit where the council of social agencies idea prevailed first, and was later supplemented by the Community Fund. In Rochester, where the Community Fund has been successfully dominant from the beginning we find it coming eventually of its own accord to the encouragement of a council of social agencies to be supplemental to it. In Cincinnati we find the culmination in an actual legal union of these two organizations into one general association which nevertheless happily protects and maintains the existence of the two parts. The Cincinnati form of organization to-day, while having an illogical appearance, is the most logical form of organization that the necessities of the movement have so far hammered out of experience.

In that city, we will recall, a Council of Social Agen-

cies existed first which undertook as one of its functions the pooling of money raising. Later the war chest came into existence, and at the close of the war these two agencies were combined in what is now known as the Community Chest and Council of Social Agencies of Cincinnati and Hamilton County, Ohio. Membership is made up of several different classes. Any resident agreeing to give service through the organization, may, upon the approval of the board of directors become an individual member, and each contributor to the Community Chest is thereby a member. Any organization or agency, public or private, interested in the purposes of the organization may, upon the approval of the board of directors, become an institutional member. Each institutional member is represented by two delegates, one an active worker in the service of such institution, the other a member of its governing board. A limited number of honorary members have been chosen from time to time by the board of directors and the advisory committee in joint session. The board of directors, consisting of thirty-six elected members, twelve of whom are elected each year for a term of three years, manages the affairs of the organization. Five of the twelve chosen each year are nominated by the institutional members, four by the board of directors, and three by the advisory committee. All honorary members are *ipso facto* members of the board of directors. The advisory committee consists of the district chairmen of the preceding financial campaign. This scheme places in the councils of the organization the active money raising groups who would not usually be represented by membership upon the board of directors. There are the usual officers and an executive com-

mittee, appointed by the chairman from the board of directors, subject to the approval of the board. It consists of the officers and six members. An executive budget committee of nine members exists, four of whom, including its chairman, are appointed by the chairman of the board with the approval of the board of directors, and five are selected by the institutional members. The Council of Social Agencies is designated as one of three departments, and is supposed to be managed by the accredited delegates of the institutional members of the organization, and has charge of its coöperative work with the affiliated or coöperating charitable, civic, philanthropic and benevolent organizations of Cincinnati. Mr. Bookman says: "Two distinct organization efforts are recognized in community organization. One aims at forming close contact with and being a part of the people themselves. The other unifies and coördinates the programs and activities of the welfare forces of a community and makes central finance the keystone to the arch."

Places for Social Service Executives

An incidental question that has caused much concern is whether social service executives should have places upon the board of directors of a community fund or federation. In some places such membership is actually forbidden by the constitution of the federation. This illustrates the attitude previously discussed of many givers toward social workers. Wherever such a prohibition appears in a constitution it means that social workers are looked upon in the same light as butlers and maids. Social work cannot tolerate such an attitude, and constitutional exclusion should be resisted vigorously. On the other hand, no

ipso facto places for social executives should be provided. If the places are open and the executives have leadership, intellectual power, and dignity, they will be elected readily enough. Lacking those things they should not be elected. The federation needs all the ability it can muster; and no honorary jobs should be created for professional workers.

Sub Departments

Once the problem of general structural organization is out of the way attention must be paid to internal organization of the coöperative group. Five major departmental services have come to be recognized as essential to the successful conduct of federations; budget making and control; campaign planning and direction; collection of pledges; public educational work; and social planning. The mechanism of these services and the results secured will be discussed in later chapters. Organizing for them is a relatively simple matter in large cities. Sufficient funds are available to engage a capable and large enough staff to divide the different tasks among responsible employees so that the greatest efficiency may be secured. Large cities are not inclined to quibble much over expenditures for such purposes. Most of them have found that offices may be maintained for raising, collecting, and distributing funds, for public educational work, and for modest expenditures in social program making at a cost not to exceed 5 per cent or 7 per cent of the money raised. When this is compared with the old costs of raising money alone, it is seen that one expectation of the movement has been realized.

In the small city the problem is far more difficult, and the difficulties increase as the cities diminish in

size. Communities of from fifty thousand to two hundred thousand population may maintain central offices of their own economically enough, although, of course, departmental executives cannot be employed. The chief executive must perform all the major work of planning and execution with limited clerical assistance. It is therefore especially important that the federation executives in cities of this size be persons of ability in several directions.

In cities under fifty thousand population the problem is different. Many such communities may not be able to afford a separate executive for their federations. Here either a combination may be worked out whereby the federation and some other agency or agencies may unite in hiring an executive of the required skill and capacity; or if the towns are close enough together, several towns may combine in sharing a federation executive. Probably the first suggestion is preferable. The opportunity is offered for a complete centralization of leadership in a situation where the dictates of economy will permit nothing else.

CHAPTER IX

AGENCY PARTICIPATION

At the very outset every federation is confronted with the necessity of determining what agencies shall be eligible to admission. Certain general understandings must be adopted, subject to change possibly from time to time, that become a guiding star in determining the scope and spread of the federation. The problem is not only pertinent to federations just forming but to those which have been in existence for some time. New movements are constantly starting, and there is growing pressure for admission of national agencies into the coöperative processes of local communities. A great many perplexities surround this problem. There are those who would hold the federation to what they call "charitable agencies." When one delves into their minds for a clear-cut definition of charitable agencies he finds a good deal of confusion. They are inclined to interpret relief giving, child welfare organizations, clinics, homes for the aged, and orphan asylums as being charitable. Some people think hospitals fall into this class; and some do not. Some think scouting, settlements, Americanization committees and similar activities are charitable; and some do not. Social workers themselves are partly responsible for this confusion. The reaction against the word "charity" has been so profound, and the thinking upon it so loose, that many agencies and many workers resent being

classed as charitable agencies or charity workers, and do their utmost to make the public think of them as something apart.

Religious Cleavages

Another difficulty arises from old religious cleavages. Religious bigotry is still abroad, and one sect is still prejudiced against another. Some of these difficulties are emphasized in one town and some in another; so that we find a rather wide divergence of practice in the scope of admissions to federations in different places. The problem is simplified in a council of social agencies that does not have a central financing department. The general tendency has been to try to get all organizations doing active community work as agency members. In many places also there is an attempt to secure civic and commercial bodies, churches and women's clubs; in still others, especially the West where the old feud between private and public social work has not been prominent, municipal, county and state departments have frequently been included in the membership. Inasmuch as membership in such a coöperative involves no sacrifice and no responsibility unless one chooses to assume it, no great difficulty is met in enrolling almost anybody.

Membership ceases to be academic and takes an immensely practical aspect when central financing comes into existence. Then the differences that have just been mentioned arise to harass the organizers of the federation. It is quite one thing to tolerate your neighbor in the same meeting with you, and quite another thing to share your pocketbook with him. A limited number of financial federations are 90 per cent to 98 per cent inclusive of the charitable and philanthropic

activities under private auspices. They include sectarian agencies, racial agencies, and hospitals. In other places the organization calling itself a city-wide federation confines its membership to either Protestant or non-sectarian social agencies. Again, hospitals and Christian Associations are not included in some places where sectarian lines are ignored. There are federations to which only a few agencies out of the total in the city belong, the rest remaining outside. Generally speaking, this condition results not from any desire on the part of the federation to exclude agencies, but from a refusal on the part of the organizations to join.

Endorsement Committee Rules

What rules must a community about to establish a federation set up for itself as guides for the admission of agencies? The city that has had an effective endorsement committee for a period of time prior to the organization of the federation is fortunate in having had some elementary rules made for it already. It becomes easy for such a city to invite into its federation all of those agencies that have received the approval of the endorsement committee. Wherever no endorsement committee has existed the usual practice has been to issue a blanket invitation to all agencies, hoping that the coöperative processes of the federation, the supervision of the budget committee, and such other efficiency methods as may be used, will bring up to standard those agencies that are not rated very high in the city's life at the time of the organization. Once the federation has been formed new applicants are usually requested to conform to those simple principles of business management that endorsement committees usually lay down, as summarized in Chapter II.

It has been stated already that considerable divergence exists throughout the country on the admission of agencies belonging to special creeds or races. Detroit, Cincinnati, Louisville, Cleveland and some other places have the Catholic and Jewish charities within the general federation. Philadelphia and St. Louis have not. Philadelphia has in effect different federations representing different major divisions of religious conception. In New York and Chicago there are Jewish and Catholic federations, but no general Protestant or non-sectarian federation. Undoubtedly the ideal of most so-called community federations is toward complete inclusiveness—at least so far as sectarian and racial lines are concerned. Yet even in those cities where all creeds are included delicate questions arise out of religion's social efforts that are constantly in need of defining. Generally speaking, any organization fundamentally religious and only incidentally for social service in the make-up of its program cannot be accepted into most federations without causing dissatisfaction among the givers. On the other hand, an organization belonging to a religious denomination whose program is fundamentally charitable or social service and only incidentally religious would be accepted into most federations. The dividing line is a delicate one and a difficult one to establish. Those institutions whose existence are maintained for the prime reason of propagating a religious faith rather than rendering actual social service of one variety or another to its clientele, such as the parochial schools of the Catholics and of the Jews, or such as the rescue missions of the Protestants, would not, in most places, be regarded at this stage of the development as proper objects for inclusion in a federation.

Character Building Agencies

Another problem that worries many federations, or many people about to launch a federation, is the admission of character-building institutions such as Christian Associations or Boy Scouts. The answer to this question strikes at the whole conception of what a federation is. If it is merely an enlargement of the charity organization movement, to include any agency that gives the poor something for nothing, a point of view outlined in the beginning of the chapter, then Christian Associations, Boy Scouts, Girl Scouts, and movements that supplement the home, the church and the school in strengthening character and intelligence among the young have no place. But quite a different thought has been adopted generally in the country. Most generous givers aim to consolidate all solicitations for non-controversial philanthropy, and include any of the work of specialized groups such as religious groups whenever a balanced agreement between them may be worked out. So the general rule with a limited number of exceptions has been to include character-building agencies if they wish to be included.

Young Men's Christian Association

Occasionally the Young Men's Christian Association offers two special obstacles. Its former policy of limiting memberships upon its controlling boards to those belonging to an evangelical church has been a public storm center for years, quite apart from any relationship the Association may have with any coöperative group. Members of other creeds and those who have no church affiliation resent this. Why they should do so

is difficult to see. They make no complaint over the exclusive control of a Catholic hospital by the Sisters of Charity, or of a Jewish charity by Jews. So long as the Association throws its doors open to all young men for its general services, this complaint has no place in federation calculations. It is the Association's business, and not the affair of the federation.

The second obstacle arises from exactly the same point of view sometimes found within the Association itself. A statement issued by the Pittsburgh Association illustrates it best. Pittsburgh has had several stormy discussions on federation, and this manifesto of the Association was a contribution to one of them.

"1. Our Association, according to its Charter and its Constitution, was established and should be maintained as an agency of the Evangelical Churches to coöperate with them as a supplementary organization for Christian character-making work with young men and boys. Religious results, as accepted by the Evangelical Churches, constitute, therefore, the primary purpose of the Association, and it is entirely wrong to classify the Association as a charity or a social agency. Its primary affiliation is with these Churches and not with the charities and social agencies.

"2. With the religious purpose in view the Charter and the Constitution provide that the affairs of the Association must be managed exclusively by men selected from the Evangelical Churches. To turn over to any outside body authority to determine the scope of our work (which is inherent in the Chest plan), would be a violation of both our Charter and our Constitution.

"3. With Christian character results as its pri-

mary purpose the Association has, however, found it advisable also to develop a large work for the mental and physical improvement of the young men and boys, believing that a man can be a more useful Christian with a trained mind and sound body. Its educational classes, its gymnasium, its boys' clubs, its summer camps, and its many other popular forms of activity are, however, largely paid for in fees received from young men and boys themselves so that the sum of money which the Association receives each year from its officers and other friends through contributions, is chiefly used for its religious work which produces no direct financial revenue itself. It would seem to be unfair to the success of the proposed Chest, however, to place such an item in the budget in the Chest."

Association not Different

Just as outsiders may not criticize the Association for the limitations governing the selection of its managing personnel, neither may the Association claim to be different from other philanthropies when its philanthropic endeavors actually create a deficit that must be met by the general public. The public has rights also, one being the right to determine how it will elect to meet philanthropic deficits. The argument of the Pittsburgh Association becomes especially weak when one familiarizes himself with the methods of the Association in its building fund campaigns. On those occasions the appeal is for "young manhood" on a three-fold program, mind, body, and soul; and great efforts are made to erase creedal and racial lines in the solicitation of funds. The Association says then frankly enough that it is a community en-

terprise, and asks united community support. The united community may have a voice in whether the deficit of the thing it creates is to be met economically and without annoyance, or by methods wasteful of money and of busy men's time. Christianity is founded on a gospel of coöperation; and a united community has a right to expect Christians to practise this principle of democratic friendship.

If the Association were financed wholly within the confines of Evangelical protestantism, and the appeals were made exclusively within the membership of the churches in the name of religion, and the Associations were under control of the churches, the argument would be good. But none of these things is true. The appeal is to the public, and it is, generally speaking, a philanthropic appeal and only religious in tone. The control is within the Association itself, and not within the church. It is true that board membership is drawn from church membership; but the Association is an absolutely free and independent body, no more responsible to a church than it is to any other organization.

If the contention that philanthropic money raised for current expenses is used chiefly for religious work is correct, the entire character of Association solicitation should be changed in fairness to the Jews, Catholics, Unitarians, and non-church members who are asked to contribute on the basis of a philanthropic service, and who do contribute. From a considerable experience with Association budgets, the writer does not accept this view of the deficits. It is true that dormitories usually pay a profit, the theory of the Association in maintaining dormitories being that they represent an invested endowment. The schools ought

to return a profit; but frequently do not. The restaurants, spas, barber shops and other commercial services open to the public usually earn a profit, as they should. But the membership fee of the Association, and in particular the membership fee of boys' departments, and extramural work, is not large enough to cover the cost of the numerous services a member is entitled to by reason of his membership. The profits earned in commercialized departments is not sufficient to meet the deficit thus created, and the public is asked properly enough to make up this deficit.

No true difference exists between the kind of deficit incurred in an Association and the kind of deficit incurred in a hospital or any other agency that charges for services but does not collect enough to meet its total cost.

The attitude of the Pittsburgh Association is not general. In many places the Association coöperates whole-heartedly and furnishes strength to the federation. Nowhere has anyone ever attempted to interfere with the religious control or the religious activities of the Association.

Civic Agencies

Another question even more perplexing arises over the admission of civic agencies, such as voters' leagues or bureaus of governmental research. Here we enter the realm of active political controversy, and that kind of controversy that more often than not leads to enmity and hostility. It is true the sectarian agencies are based upon violent divergences of opinion; but it is possible for a federation in the religious field to balance the different denominations against one another, thereby satisfying the entire population. If Jew-

ish, Catholic and Protestant agencies are included, not one of these groups may fairly complain about the inclusion of the other. In the political field, however, the situation is different. Although a voters' league is probably non-partisan, its membership is usually small and is never credited with being non-partisan. It deals with personalities, and the approval or disapproval of the fitness of persons for public positions is so largely a matter of opinion, that it seems unwise to admit voters' leagues to a federation. They are in effect free lance political parties.

Research bureaus have been admitted in several places, notably Detroit, Milwaukee, Philadelphia and Cleveland. Theoretically they do not deal with personalities, but with systems of government and efficiency methods. In spite of the impersonal nature of their work, opposition has been raised to their inclusion in some of the cities where they have been admitted. They do make enemies, and those enemies, if not influential, are at least noisy. Their work is not generally understood by the public at large; in fact, it is a very difficult kind of work to explain to the public at large. In Detroit the opposition became so pronounced at one time that a plan of special designation was worked out for the Bureau of Governmental Research. Some seventy donors to the Community Fund designate a certain amount of their contributions in sufficient sum to cover the entire budget of the Bureau of Governmental Research. This is known as a special trust fund, and the fact that no one else who contributes to the fund is expected to make a contribution to the Research Bureau satisfies the public. Most of the opposition disappeared with this plan. Special trust funds possibly point a way out

for many controversial matters that are bound to arise from time to time in the expansion of the community organization to complete community inclusiveness.

Cultural Agencies

Agencies for cultural improvement, such as symphony orchestras, art societies and similar movements, have not met with favor in their application to community organizations so far. The Cleveland federation once included the symphony orchestra for a single year. The federation in Detroit gave the matter serious consideration for a long time and finally decided not to include the orchestra. Music and art are still regarded by the public at large as the special playthings of the few, existing in some measure for the social prestige of those who participate in their activities. They are, unfortunately, regarded as the furbelows of the rich; and inasmuch as true appreciation of music and art in America is at present confined to a rather limited group in the population, it has seemed inadvisable for the present to include these excellent organizations in federations.

Economic Reform

The final admission problem confronting federations revolves about agencies for economic reform through legislation. There is a wing of social work dealing with controversial matters in the industrial field such as labor legislation, standards of employment, and shorter hours of labor. The issue of including this type of agency has been brought directly to focus by the application of the local branches of the Consumers' League in a number of cities; their

admission here and there; and their withdrawal or expulsion, after they had been admitted.

No matter what answer one might like to give in a spirit of generosity, probably only one answer can be given when such an agency applies to the average federation. It is not eligible. It is a special pleader before the bar of public opinion, usually representing an advanced minority of the public. Unless it is possible to balance it with a similar agency standing for reactionary policies, its support is offensive to a majority of the contributors to the community organization. When it has converted the public to its point of view there is not much reason for its continuance; or if it does continue it should be out in front with a new program that still commands only minority support. The federation usually represents a majority of the community's adult population. Federation directors acting as trustees for their givers must hesitate in the circumstances to include this type of agency if its inclusion arouses widespread opposition. Until federations have advanced to the point where they have set up separate trust funds for many specialized purposes most of them will very properly not include such organizations.

On the whole, the political or economic agency is better outside of the federation than inside. Its success is bound up directly in converting an expanding constituency of average people to its point of view, thus securing an increasing support for its program at the polls. This can be accomplished most advantageously by selling to each separate individual the idea of supporting the program by supporting the organization. Inclusion in the federation may itself very

likely atrophy the fighting wing of the movement which is its life. In this respect this type of organization differs from the average agency that has tried to rely at some time or other upon a membership roll. The ordinary member of the average agency has not been a participant in any of its affairs. He has rather been a contributor who was called a member. One has but to attend the annual meetings of such agencies to realize that membership is a purely theoretical consideration.

Fundamental Guides

In admitting agencies the wise federation board is governed by several fundamental considerations. First, is the agency well managed, non-duplicating, and filling a real service? In its later years the federation will become more exacting in its requirements than in the early years, because most federations tend toward a reduction of agencies through consolidation, and by covering new fields with old agencies, rather than by encouraging new agencies. Second, will its inclusions have a helpful effect upon the support and work of the group of agencies already admitted? The federation board acts partly in the capacity of trustee for the well-being of its constituent agencies and it has no right to do anything that is injurious to them. Agencies whose conduct is apt to come into continuous unfavorable comment from a majority of its public, whether deserved or not, which cannot prove that money appropriated to them will be used wisely, are an actual threat to those agencies already federated. Again, when the public has been educated to expect good work from its agencies, one with low standards quickly affects the well-being of the others and impairs

the support that is given to the others. So it is essential that each organization admitted in the later years should be of high standard in order to protect the agencies already belonging. Third, do givers want their money spent for the agency under consideration or not? A federation democratizes the support of social work, extending the number of givers from thousands to tens of thousands. A public trust has been created. The money to be appropriated by the directors is the people's money, and the directors are in duty bound to listen to the voice of the people. A few noisy souls do not constitute the public, and mere noise need not worry a federation. But the campaign organization has a chance to test each year the minds of tens of thousands of persons; and when it reports over a series of years a constant adverse public opinion on any policy or any act of a federation, it is time for the directors to take measures to satisfy the people.

Dismissing Members

It is a serious matter to dismiss an agency from a federation for any reason but malfeasance, gross incorrectable inefficiency, or long-continued, complete and hopeless failure to coöperate. Either the agency should be excluded at the start, or else every available means should be exhausted to keep it within the fold and at the same time satisfy all concerned. If it wishes to withdraw voluntarily that is one matter; but dismissal is quite another. One can see how circumstances might arise where after every resource had been exhausted it would be necessary for the federation to ask an agency to withdraw. Continuous refusal to coöperate on budgetary matters after years of patient effort to reach satisfactory understandings;

constant and deliberate breaking of the rules governing solicitation; gross inefficiency in management that cannot be corrected even after the most earnest attempts at friendly guidance, are reasons that might eventually lead to a severing of relations. This is, however, a last resort, and in the writer's rather extensive experience only two or three such cases have come to his attention where such action was truly necessary.

In scattered places throughout the country instances have arisen in federation life where general thoughtlessness has prevailed on the admission of agencies, arising from a misunderstanding of the purposes or interests of the organization, or of the wishes of the givers; and then when opposition has come to the support of some agencies the directors, instead of working hard for a solution that would keep them inside, have promptly kicked them out.

A federation is established by those who gave prior to its creation and by the agencies to which those people gave. The purpose on the part of the givers is to get relief from constant solicitation and to secure economy and efficiency. At the time of the creation of a federation the number of givers is always small in comparison with a few years later. In Detroit there were about 8,000 givers before federation, and that number represented mostly generous people of large means. Many of them were also interested directly in established agencies. It was the immunity rule and the guarantee of protection for the agencies in which they were personally interested that finally brought these givers to try the federation plan. Givers expected a fairly comprehensive number of agencies to be supported by the fund. For this reason the federation

provided in the beginning for the inclusion of charitable, philanthropic and civic agencies.

Each of these first givers understood thoroughly that in return for having his special agency financed and protected, he must consent to the financing and protecting of other peoples' special agencies. To illustrate, the Catholic gave up the financing of his agencies with these pledges: first, that the Protestant would not try to destroy those agencies; second, that the specialized work appealing particularly to Catholics would not be interfered with by those who were out of sympathy with it; third, that the Catholic himself would yield the same right of support and protection to the Protestant and the Jew; and fourth, that the Catholic would not interfere in any way with the specialized peculiarities marking the Protestant, Jewish and non-sectarian agencies with which he might be out of sympathy.

To illustrate again, the man devoted to an agency dedicated to civic purposes, but not interested in a relief organization, surrendered his financial control with the understandings and the moral guarantees outlined above from the whole group, and gave in return moral guarantees to the people interested in the charitable activity and not in the civic.

Objections to Agencies a Later Development

At the time of creation of a federation, then, difficulty is seldom encountered by one group demanding the exclusion of another group. The original group of givers and the original group of agencies have thought the question through with care and do not commit themselves to the new program until they have satisfied themselves thoroughly. But immediately

after the establishment of the federation a tremendous expansion occurs in the number of givers. People who have never given are taught to give. This new group is inclined to see the whole movement through immature and unreasonable eyes. It is a matter of years to teach them their responsibility to the more intricate parts of the social service program involved in philanthropic and civic agencies. Consequently, the federation is sometimes confronted with a barrage of criticism beginning in its second year. This criticism revolves around certain agencies that have no general appeal, and whose business requires them to make some enemies. The federation is at once confronted with the necessity of determining whether it will stand by the agencies already included; or whether it will change its original policy of inclusiveness and retreat to a position satisfying the vociferous individuals in the community, which means eliminating everything that draws criticism.

It would not seem that the answer to this dilemma should be a shift in principle. Any shift in principle yields first the obligation that the federation owes to an agency and its supporters that it will be supported and protected in return for the surrender of its financial support and the pooling of its good will in the general good will of the federation. Second, it sets in process a set of circumstances that may very readily lead to a disintegration of the entire plan. Third, it deliberately multiplies the number of appeals instead of reducing them. Fourth, it threatens itself with loss of very valuable support, usually far more valuable to it than the support of the critics of any particular agency. Fifth, it confirms the fear of many people that the federation is an autocratic body of a

little group of uninformed, powerful, rich men who will ruthlessly destroy the social and civic program of the community if it does not meet with their particular views.

Designation of Gifts

Wherever opposition becomes really serious, one excellent thing to try is a stressing of the principle of designation. This may be worked out in several different ways. First, designation may be permissible without laying too much stress upon it, which is the method followed in most federated cities where giving has been expanded very heavily since the war. The pledge sheet is so prepared as to invite designation by people choosing to designate and the right of designation is advertised to the community. Second, a special designation may be deliberately invited on the part of a few people particularly interested in the organizations subjected to the most severe criticism. This plan means that a limited number of givers are asked to set aside a certain amount of their pledges in advance of the campaign for the total sum covering the budget of the agency. Money may be paid either to the federation for such an agency or directly to the agency itself. The general sales organization of the campaign solicitation is then permitted to say truthfully that the criticized agency is already financed by special gifts and none of the general fund contributed by the citizens is to go to such an agency. This is the plan followed in Detroit in regard to the Bureau of Governmental Research. It creates a special trust fund, to be used for special purposes outside of the general fund, and to be distributed not as the trustees of the federation choose, but as the givers elect. The

third plan which was followed at one time in Cincinnati, is to set aside a group of agencies known as specially designated agencies, which do not participate in the general fund, but which receive exactly those amounts designated to them in the campaign. If they do not receive the necessary amount of money to carry on their work, they are permitted to solicit prepared lists in a campaign for their own support. The virtue of this plan is the same virtue that resides in the modern referendum provision for legislation passed by the State Legislatures. It gives the public an opportunity to indicate exactly the extent and value of its interest in any movement.

The adoption of these methods has served in the main to eliminate great objection to comprehensive inclusiveness in places where they have been tried. It is noticeable also that time itself cures many of the objections raised by the public to agency inclusion. The federation that helps its agencies to put their affairs in condition to answer any just attack upon them, and then defends them from attacks, soon wears down the opposition. A federation must realize that it is a very powerful instrument not only for the development of good social work in the community, but for the possible suppression of social work as well. It must be as diligent in protecting the unpopular but effective movements from its own power as it is diligent in fostering the interests of popular activities.

CHAPTER X

THE COMMUNITY BUDGET

ONCE the coöperative movement has made the financial federation an integral part of its composition, it is faced with the delicate task of building a system for the distribution of its funds that will balance outgo with income. In this it must be equitable; it must accommodate itself to changing social needs; and it must satisfy its constituent agencies. To bring about these ends budgetary control through budget committees has been established, and has become of major importance in all modern federations.

The Budget Defined

A federation budget is an instrument of accounting control, designed to fix in advance, over a given period of time, the expenditures of the constituent agencies, and to control these expenditures throughout the fixed period. It must be based upon a knowledge of the work, the income, the costs, the previous experience and previous expenditures of the agencies involved. It is a measuring stick whereby the community interests and aspirations of the moment may be converted into terms of dollars and cents, thereby enabling the citizens of a community to gage their gifts to the announced needs of the day. Finally, it is an instrument that, in conjunction with work statistics and the knowledge of specialists, may be used to turn a searching eye upon the quantity and quality of social work done.

Budgetary practice is one of the points of coöperative organization most feared by those about to enter federations, or by those who criticize the movement from afar. The power of appropriation is admittedly a great power, and agencies submitting to it surrender a certain amount of freedom in return for whatever advantages coöperation has to offer. These fears are well expressed in the report of the committee of the American Association for Organizing Charity: "In regard to non-federated cities of our acquaintance, we are of the opinion that the available gift income is not distributed in the proportion that is best for the social interests of these cities, but we are far from sure that any board of directors, in whatever way constituted, can successfully discharge so delicate a task as the redistribution of that gift income with such satisfaction to the public as to increase the democratic interest in social work and with such skill that greater social progress is insured. That task calls for wisdom greater than organizations have usually been able to summon for their own direction and is, we believe, greater than can be commanded by federations."

In another place in the same report occurs this statement: "Finally, a system of reapportioning the contributed gift income among its organizations has been set up, regarding the ultimate benefit of which we have grave doubts."

Agencies Need not Fear Budgeting

In addition to this theoretical doubt about the pos- will not get the money that they desire. In face of the sibility of a socially useful distribution there is the prosaic fear, bluntly stated many times, that agencies

fact that it has been the universal practice for federation budgets to accept in the beginning the status quo, giving each agency what it received before federation, and usually adding a comfortable margin, both of these fears collapse. The basis of distributing gift income is changed rather slowly, and only after the digestion of an enormous accumulation of facts, taking into consideration the capacity of the groups to spend money wisely as well as the social needs involved. While agencies do not always get what they ask for, ninety-nine times out of a hundred they get more than they could have raised by themselves; and, making allowance for a very limited number of exceptions, they are well pleased and quite contented.

When all the criticisms have been balanced, we come back to the fact that the budgetary principle is essential, and the movement could not succeed in the long run without it. To illustrate its prime importance, one has merely to review the early years of the Denver and Cleveland federations. A study of disbursements by the Cleveland agencies during the first two or three years of the federation shows two things that are bound to happen in a federation without budgetary practice. First, the accumulation of a deficit by the agencies over which the federation has no control; the second is an unfair and inequitable distribution of the funds collected by the federation. In the first federation year nineteen of the fifty-five organizations incurred deficits over and above the amounts secured by themselves and the federation together. In the three succeeding years nineteen, twenty-two and twenty-four organizations incurred deficits. The total of these deficits in the first year was $20,497, and in the fourth year $77,051.

Inequality in Non-Budgeting Federations

Inequality of distribution in non-budgeting federations is shown by the figures for one of the large organizations in the early Cleveland federation compared with the others. The year before the federation was established this organization received $52,000 from the public. During the first year of federation it received $67,000, an increase of 30 per cent; the second year $92,000; the third year $95,000; the fourth year $127,000; which for the four years was an increase of 147 per cent over its own greatest money-raising power displayed theretofore. Now compare this with the total of 26.7 per cent increase for all agencies, which their combined efforts plus the efforts of the federation had produced in these four years. We shall presently see in considering the problem of the budget that a wise federation will not permit a completely even growth of gift income to each agency within the federation year after year. When the institution is established it is always found that some organizations doing excellent work have never developed the financial capacity needed to secure sufficient support, and some organizations equally worthy, or less so as the case may be, have been able to get money more readily, and already have ample budgets. One of the most useful functions of a federation is to bring some sort of rough justice into the questions of distribution, and to see that useful work inadequately financed in the past is gradually brought to a basis of satisfactory support. Then, too, as the years advance, circumstances arise that make it desirable and advantageous to enlarge the budgets of certain agencies occasionally out of proportion to others. But the organization mentioned in Cleveland was not a

weak one or an unsuccessful one in its own financial power. It was an extremely useful agency. Nevertheless, if its habit of spending money beyond the ability of the federation to produce that money, or without consideration for the wants of the other agencies, had continued, the federation would have been bound to fail. It did not always tell the federation it had spent the money until after it was spent, thereby compelling the federation to pay it, while others that were not so aggressive did without. The federation was thus compelled to incur a constantly increasing deficit which, without doubt, would have created much the same condition in Cleveland that had prevailed in the early Denver situation, if budgetary practice had not eventually been adopted. As a matter of fact it was not until the war broke out with its tremendous upheaval of giving habits that the situation was brought back to an even keel. And yet the agency is not to be censured. In spite of statements to the contrary federation does not rob agencies of their power of self-concentration, or of their energy. Instead, freedom from raising money focuses their attention upon standards of work and upon social problems. They want money to do things they never could do before. No, when situations such as that described occur, it is the fault of the federation and not of the agencies.

The First Federation Budget Committee

The Cincinnati federation established budgetary practice at the very outset. It so happened that those who were instrumental in getting the Cincinnati organization in motion were thoroughly familiar with the way municipal corporations conduct their business. A balanced budget struck them naturally

enough as a requisite for a federation; and budgetary control was introduced at once. A noteworthy fact develops from a comparison of the early years of this federation with that of Cleveland. In the first year of the Cincinnati federation there was not enough financial strength to produce an amount large enough to give the agencies what they really needed. But they were not permitted to incur deficts on their own responsibility. Instead the federation underwrote the budget, and when it became apparent that not enough money would be raised to meet it, the federation borrowed money at the bank and assumed complete responsibility for financing the fair wants of its constituent bodies. In this way the deficit was held down to less than $5,000. The agencies were taught to lean completely upon the federation; and as money raising was generated to greater power in the next year, no deficit was incurred, and no gross injustice in distribution took place. A very high percentage of increase occurred in seven relatively weak agencies which were working in fields generally conceded to be useful but which were unproductive financially. The larger agencies received a fair proportion for their growth divided rather evenly.

It is not surprising that social agencies should have come only gradually into a recognition of the values of the budget. Many of the people in control of them are social workers and have what we describe as the "social mind." They are not financiers, and in thinking of their work they think in terms of aspirations for better things, much more than in measurable terms of possibilities. Corra Harris says: "Enough is enough, and that is something that an idealist never finds out." To say the same thing: you can have in

the long run only what you can pay for, and that is something a social agency frequently doesn't want to find out. Probably as much of the unrest that prevailed in the early federations came from the failure of the central group to budget their agencies as from the failure of the central group to raise the necessary funds. The federation movement has shown a constantly upward tendency in enlarging the flow of gifts, and there is no reason why the organizations in the early days of the federation should have been more restless than the constituent agencies are to-day, except that they were not compelled to weigh exactly the volume of work the money on hand would pay for.

How Budgets Are Prepared

The principles laid down by the Cincinnati federation in its budget making and budget control have been generally adopted in the later federations as a necessary axiom for success. These are merely an adjustment to private social work of those principles employed in advanced municipal finance. At a given period each year when the federation is beginning to calculate the amount of money it will ask of the public for the ensuing year, a request is sent to each of the constituent agencies to submit an itemized statement of its disbursements for a twelve-month period together with an itemized estimate of disbursements for the next year. Uniform accounting forms are furnished which go into fairly intimate detail. The number of employees, the wages each receives, the wages proposed for each during the next year, telephone costs, travelling expenses, food costs, relief, supply costs, and all the other items needed to give a complete picture of the operations of the agency, are included. Its income

from sources other than the federation is also listed and its expectancy in income for the next year. When all these requests have been gathered they are presented to the budget committee for analysis and for a review.

The machinery for the review differs in different places, although the general principles involved are much the same. In Rochester the review is conducted by a budget committee of six appointed by the president of the Community Fund. In Detroit the central budget committee of the Community Union, composed of one delegate member from each participating agency, serves as the reviewing committee. This budget committee selects from its own membership a small executive committee, known as the accounting committee, which sits as the actual reviewing committee. Each agency represented upon the budget committee is called into conference when the budget for that agency is to be considered, and whatever adjustments are necessary are worked out between the accounting committee and the agency representative upon the budget committee. The report of the accounting committee when it is completed is presented first to the whole budget committee for approval, and by it referred to the board of directors of the Community Fund. In Louisville, the president of the Welfare League appoints seven members of the board of presidents to act as a budget committee, at least four of board of directors with the approval of the board, and five of whom are elected by the institutional members. whom are named from that part of the membership of the board of directors that has been elected by the contributors. In Cincinnati the budget committee is made up of nine members, four of whom, including the chairman, are appointed by the chairman of the

One thing is noticeable about many of the federations at present. Successful budget review requires a chairman, as well as a federation secretary, both of whom will familiarize themselves in great detail with the needs of all the agencies in the federation and with the prevailing cost units in different types of service. It is this comprehensive knowledge of all the accounts that acts as the adjudicating factor in distribution. We find a group of men developing in our cities who have means of their own and leisure, who are making the budgetary work of the federation their avocation.

A day, or a series of days, or a series of weeks, according to the number of budgets and of the subcommittees at work, is set apart, when the committee, or committees, may meet. Each agency is scheduled for a different time of appearance before the committee. Each member of the committee is supplied with a copy of the budget request of that agency, a copy of its actual operating costs over a series of years previously, comparative data showing unit costs of agencies of similar type, price schedules, work schedules, and other information that may throw light upon the calculations. The agency is usually represented by some member of its board of directors, its executive officer and its accountant. The itemized figures are taken up seriatim and in detail. The committee's experience and knowledge of what other agencies are doing is of use in guiding the agency in some readjustments of its cost calculations. New enterprises in particular and expansions of service are subject in a considerable degree to approximate cost measurement. It is, of course, essential that both the budget committee and the agency representatives enter the meeting with a feeling of mutual respect and

an intention to give and take. The writer has been present at the review of hundreds of budgets in the last ten years and has never yet seen a situation that has not eventually yielded to the process of quiet consultation to the satisfaction of all concerned.

When all the budgets have been reviewed and the results have been totalled, it is sometimes necessary to make a further review in order to bring the figures within the total amount possible to raise.

Increasing Revenues

One of the useful things that a budget committee may do for any organization is to study not only its costs in the light of other peoples' experience but also its income. There are very few social service agencies that have not some means of earning money from those whom they serve. They are not infrequently inclined to underestimate this possibility. One must remember that a social worker dealing with decrepit or under-privileged human beings day after day grows into an attitude of mind that frequently upsets his judgment when it has to measure the capacity of a client to pay for what he gets. Yet we are all agreed that one of the best bits of social work done is to see to it that those who can afford to carry their own load, or even a portion of it, do so. We are struggling constantly to eliminate pauperism, and one of our great arguments for organized philanthropy is that it stands for the general principles of self-help and self-support, protecting the community from the beggar and the impostor, and offering to the self-supporting poor a service at a cost that it can afford to pay. Without doubt the budget reviews of the social agencies carried on by the federations in the last few years

have increased by enormous sums the income of the social agencies through this channel, and have spread the service and increased the quality of the service by means of this increase. In Detroit since 1917 fees for service rendered have increased over $1,000,000; and the budget committee of the Community Union is more responsible than any other factor for that increase.

Through the budget also agencies are frequently given suggestions as to costs and tips on purchases which result in decided economies. It may be found through an inquiry into an unusually heavy per capita cost of food for an institution that a more attractive and more nutritious diet may be secured at less expense. It may be found that a change in the heating apparatus, or even in the methods of stoking, will produce satisfactory economies of fuel. It may be found that the trading of an old automobile for a new one at once will save money during the year. All of these things and many others have been accomplished through the budget committee.

Other services of the budget committee tend not so much in the direction of economies as in the direction of justice. Many devoted workers in social agencies have served over a long period of time without the financial remuneration to which they were entitled. Either modesty on their part, or thoughtlessness on the part of the governing committee, or a habit of penury has kept their wages down. A just budget committee often recommends the necessary additions to the budget to correct these injustices; and a just budget committee often resists also the encroachment of those who, unlike the persons just described, are seeking increases to their remuneration out of keeping

with their importance to the agency or the social service structure of the community. Some agencies through habits of parsimony are inclined to underestimate their responsibilities to the public, and do not incorporate sufficient funds in their request to carry on adequate and satisfactory programs. A budget committee often deliberately endeavors to correct such an attitude, and recommends the additional appropriation for the necessary enlargements of programs.

When the total budget has been written it is presented to the board of directors of the federation which in turn approves or rejects it. Budget committees that are effective have the confidence of the board of the federation, and their recommendations are almost invariably adopted, provided, of course, the total appropriations are not in excess of the money available.

Emergencies Met

One of the chief objections to the introduction of the budget principle has been the fear that emergencies could not be estimated in advance and could not be met. If this objection were sound it would be a serious blow to the entire federation procedure. The wise federations have met this objection by creating a flexible budget practice. When once the budget is fixed for the year it is not necessarily a final document that cannot be changed under any circumstances. Instead the budget committee watches the spending experience of the agencies month by month; consults with them constantly; hears additional requests; authorizes changes in the allocation of amounts; and day by day rewrites the budget in the light of certain occurrences that go on. It is important in order to give this neces-

sary play that the original budget should be written with considerable liberality; or else that a contingency fund should exist from which extra appropriations may be made from time to time. The experience of the agencies in the Detroit Community Union for 1924 illuminates this need of flexibility. There were sixty-five agency budgets incorporated in a total local appropriation of $2,213,000. Forty-six of these agencies saved money on their budgets, or spent less than the amount authorized for them at the beginning of the year. These under-expenditures ranged in amount from a few dollars in some instances to as high as $13,000 in one instance. Nineteen other agencies, on the other hand, were eventually permitted to overspend their budgets in amounts ranging from a few dollars to as high as $22,000. The total under-expenditures were $80,000. The total over-expenditures were $44,000. So that when the year closed the total appropriations to all the agencies together was less by $36,000 than the amount originally authorized. A suspicion might arise that these budgets had been written carelessly in the beginning. This is not so; they were written with extreme care. But the actual expenditures were watched closely every month; and only the sums of money necessary to meet the costs of the work carried on that month were paid to the agencies. During 1924 a business slump started about nine months after the budgets had been written and eight months after they had been in operation. As usual this depression profoundly affected the income from fees of such institutions as hospitals. Consequently the original calculations in regard to income from fees in one hospital needed a sweeping adjustment. When the year was over it was found that the oper-

ating deficit had been under-calculated by $22,000. Here was a condition which neither the budget committee nor the hospital could have foreseen, and any fair federation would have no choice but to meet the deficit.

In another instance a large expansion had been authorized at the beginning of the year. The organization was slow in securing help to get this piece of new work into operation and a number of months elapsed before it was wise to embark upon it. Consequently less money was used than had been authorized, thus creating a surplus of $13,000 for the general federation treasury that could be applied to the budgets of those agencies that had to over-spend.

The major premise of budget practice is to balance total expenditures within total income. Separate items of expenditure are adjustable at any time during the year up to the point where outgo exceeds income. As a matter of fact in the last seven years the total appropriation of the Detroit Community Union to its constituent agencies has never been expended. A majority of the agencies always have spent less than originally authorized; and a limited number, for perfectly good reasons, have been permitted to exceed the amount authorized. Those that have over-spent in one year were seldom the ones that over-spent in succeeding years. These excesses were not permitted unless an excellent reason existed; and over-expenditures were stopped promptly if they began to appear without authority having been granted.

Emergencies may arise which no ordinary budget can meet. We need to remember that a disaster will finance itself; and the alert federation should not hesitate to appeal promptly for extra funds, if a true

emergency arises. The public will understand, and will respond. We also need to understand that social work is supported from four major sources of revenue. In their relative importance as indicated from their volume they are earnings from clients, tax funds, contributions, and earnings from endowments. The wise federation will worry not only about contributions as a means of meeting social work deficits, but also about the other sources. Above all things it will not permit government to be niggardly in assuming its portion of the burden; and it will be constantly striving to transfer various ripened pieces of social work from the private to the public budget.

Budget Making Controlled by Agencies

One final consideration of budget practice evolving from the experience of the various federations is worth bearing in mind. Any budget that is made without a kindly consideration of the desires and wants and actual needs of the workers; any budget control that has the attitude of parsimonious lack of thoughtfulness, is bound to create disaffection and dissatisfaction on the part of the agencies. Budget making therefore has come to be lodged more and more in the control of the agencies themselves. We see this tendency in city after city where the money raisers and money givers turn the responsibility of budget control, which means the distribution of the funds, over to the association of agencies, encouraging them to make their own adjustments and their own agreements, and reserving to the money raisers and money givers only the right of veto. This is a logical development. A budget made by the agencies through their own representatives, who are almost always responsible, thought-

ful and fine-spirited people, creates a contented and generous minded group of community agencies. It places the discipline of a refractory organization in the hands of its associate agencies, who are in a position to discipline most effectively without rocking the whole structure. It takes out of the federation the fear of the overlord committee of money givers who may be charged with a desire to control the social program. It results in a decisive action without the backwash of complaint or dissatisfaction so apt to come when a decision is handed down from an aloof authority. It breeds also the habits of give and take so essential to a federation's success; and it gives all the agencies an excellent chance to become acquainted with the operations of one another. It also teaches by experience the lessons of economy to those who must practice them. The writer has seen agency representatives go into budget meetings where the budget committee was composed of representatives of the associated agencies and make impossible requests; and has observed that these watchdogs of their own affairs are much more firm and decisive in handling such situations than groups of givers who do not have such a perfect understanding of what are needs and what are not needs.

Those experienced in federation work are frequently asked if "log rolling" and trading among the agencies does not occur in securing appropriations. Bearing in mind the experience of Congress they suspect that groups of agencies will combine in order to vote themselves more money. Once in a while in the early days of a federation some solitary agency representative more shrewd than sincere will try to manipulate his fellows into such a plan. Invariably he is rebuffed and loses prestige. It so happens that an overwhelming

number of people in charge of our established social agencies in America are the finest citizens of the country. They have a keen sense of trusteeship, a high code of honor, an adherence to the principles of justice and fairness, that makes impossible the trickery of the spoilsman. Log rolling need not be feared anywhere so long as the boards of directors of social work are composed of people whose quality is that of present day boards.

Does the Federation Tend to Inflate Budgets

One criticism of the federation movement may best be considered in a discussion of budgetary methods. It is stated bluntly and unequivocally in a report to the North American Conference of City Young Men's Christian Association General Secretaries: "Notwithstanding the plan for inspecting budgets and policies, the financial federation tends to inflate budgets and the extravagant administration of many agencies." This kind of criticism, coming from the Young Men's Christian Association in particular, unsupported with evidence, is in poor taste. Until the supporting evidence is forthcoming it would not be worth while answering were it not for an occasional expression from givers of a fear that such a result would follow the large increase in funds flowing from the federated effort.

It is true that the income of social agencies has been greatly augmented by coöperation. Even after rising costs in all essentials of life following the war have been allowed for, the increases in funds to the agencies have been large. Yet they are justifiable. Our national population grows; the shift in population from country to city goes on apace; and more people increase

the burden of the agencies, a burden that must be met by increasing costs. Science gives us the X-ray, insulin, new and better methods for treating the human body and the human mind. Surely those impelled by humanitarian instincts want the poor to benefit by these things and a multitude of other improvements. If the benefits are to be had a price must be paid, because these services are costly. If it is justifiable for the Young Men's Christian Association to expand its permanent equipment from an investment of a little more than $100,000,000 in 1920 to well over $160,000,000 in 1926, an advance that the writer highly approves of, then a similar growth at the same time is justifiable for the child welfare agencies, the public health work, the family welfare societies, and the numerous services built up for girls and young women. The current costs that go with these advances must be paid for out of growing revenues. One is compelled to make a wry face when an agency that does not hesitate to increase its own income criticizes other agencies for increasing theirs.

Wages in industry, in commerce, in the church, and in the public service have risen; and the federated movement has striven to increase proportionately the wages of the devoted men and women who struggle with the desperate problems of poverty, crime, misfortune, underprivilege, and feeble-mindedness. These are not extravagances or inflations. They fully justify enlarged budgets.

No, budget committees are not tolerating extravagance. In a later chapter we shall see how many of the attempts of federation at improving social work are reducing extravagance and curbing it. Any attack of this nature on the budget system of a federation is

an attack upon the budget system elsewhere. Business and government realize that wasteful appropriations, inequitable appropriations, log rolling, an unbalanced program, and a complete lack of operating control, flow from a neglect of the budgetary principle. Philanthropy is being compelled by impartial contributors to learn the same thing. One of coöperation's really great contributions to philanthropy is the prosaic budget.

CHAPTER XI

THE CAMPAIGN METHOD OF RAISING FUNDS

For money raising purposes the early federations relied upon letter appeals; upon a certain number of personal calls by directors, their friends and the executive secretary; upon telephone calls by regularly employed people; and in some instances upon paid solicitors. Although this combination of methods, in addition to the publicity programs that were carried on, produced more money than had been raised by the separate agencies previously, the increase did not satisfy the pressure of the agencies for funds. Consequently the campaign method of raising money has become for the present a universal habit. It produces larger sums than any other known means of fund raising.

The campaign method is not new. It was first used by the Young Men's Christian Association before the rise of the modern federation movement. Under the guiding hand of its originator, Mr. Charles S. Ward, a technique of campaigning was gradually worked out that showed constantly increasing results. Some time after its inception it was widely adopted by numerous institutions as a method of securing building funds. Up to the time of the war its greatest success had been in the field of building finance, although the Young Men's Christian Association in particular had used it in a limited way in current

financing. The first Cleveland federation resisted a good deal of pressure for the introduction of this method of fund raising. Building fund campaigns had been severely criticized on the ground that undue pressure was exerted on individuals to make them give larger sums than they really wished to give, or in many instances could afford to give. It was argued that more money might be obtained at first by this method; but that such increases would be given not as a result of interest in the work, and an understanding of it, but because of obnoxious, irresistible pressure; and because of the excitement and enthusiasm the campaign generated. It was thought that the larger gifts might shrink after the first year; that some people would make pledges in order to see their names in the paper, which was not a proper spirit; that team members would use all sorts of arguments, some of which the organization could not approve; that the rivalry among the teams would breed a scramble for the best names on the prospect list and a slighting of other names; and that it would be harder to get renewals from those who subscribed during a campaign. It was further argued that there would be great difficulty in obtaining people who were willing to continue as members of teams year after year. In spite of these objections a considerable number of cities prior to the outbreak of the war had adopted the campaign as the most successful and surest method of getting the desired funds. Among these were Cincinnati, Erie, Baltimore, South Bend and Elmira.

War Chest Ushers in Campaign Methods

When war was declared, and the war chest broke upon the scene prepared to control the numerous so-

licitations then being made for war philanthropies, the campaign method was universally adopted. The sums that had to be raised were so large, and the fervor of the people so strong, that only some comprehensive scheme of soliciting such as a campaign could reach them all, and reach them with sufficient impact to secure the required results. So far as is known, every war chest campaign conducted in the country was successful in the sense that it secured the money set as its goal. Following the war, when many war chests were reorganized and became community chests, the objections to the campaign method of raising money evaporated, and it came into universal use by all federations. To-day it is the standard practice to raise federation budgets by the campaign method.

Several lessons had to be learned before the present federation procedure in campaigning was evolved. The first of these lessons is that there is a distinct difference between building fund campaigns and current expense campaigns. A building fund may legitimately expect to draw upon the capital of the country for contributions, while the current expense campaign may expect to draw on nothing but income. The building fund is to erect a structure which will be relatively permanent in the life of the community; and those of means understand very well that such structures are usually created in part at least from capital, and when completed become part of the invested capital of the nation. The general public senses this same thing although it may not be consciously aware of it; and the person of small means does not contribute as readily to a building enterprise as the person who has a surplus in his possession. Consequently larger and

fewer gifts make up the building fund, and smaller and more numerous gifts make up the current expense fund. This is a lesson that those who developed the campaign method for current expense fund raising in federations learned with a good deal of tribulation.

The second difference lies in the delicacy and tact with which the organization securing funds year after year must approach its contributors. It is undoubtedly true that the early building fund campaigns, at any rate, exerted a heavy and frequently unpleasant pressure upon the wealthy to make them contribute to the capital of benevolence. It is also true that during the war a vicious kind of fanatical pressure was exerted all up and down the line to make the people subscribe to government loans and numerous charitable projects. The federation campaign has learned for its own good not to use pressure, but to rely upon educational methods, upon a sound knowledge of the things to be financed, and upon a powerful spiritual impulse.

The campaign is founded upon a number of simple general principles: first, skilled planning and direction; second, the compilation, efficient distribution, and constant control of a sufficient number of prospect cards; third, the organized use of large numbers of volunteers; fourth, the largest amount of publicity possible to secure; and fifth, a short specified time, at the end of which the work is to be completed—somewhere between four days and two weeks.

Skilled Planning Necessary

The first principle, skilled planning and direction, is of major importance. Every other department of the campaign relies upon the person or group that leads for the general plan, and for the driving power of some

executive to bring these plans to fruition on scheduled time. Every campaign presents as much of a problem in strategy as a battle does in time of war. Battles are seldom won without generals, and campaigns are not won without intelligent hard working personal leadership. The major strategy of the first Cincinnati and Cleveland community fund campaigns held after the war, was to maintain a level of giving at somewhere near the war time level. Successful planning for this and execution of the plans had much to do with placing those cities in places of leadership since that time. A number of years ago Grand Rapids was confronted with the need of breaking an inadequate level of giving that had prevailed for too long a period, and at the same time of convincing an influential portion of its public that certain agencies included in the federation should be supported. A daring campaign strategy was worked out by the leaders of its campaign that aimed at these two things simultaneously and accomplished both results.

Detroit's campaign problem has been to increase steadily year after year a relatively low level of giving. Each year a new strategy has to be produced that will hold the gains of the previous year and make fresh gains. In 1924, with the help of the American Association for Community Organization, the numbers of gifts in various gift groups in Detroit were compared with similar numbers in similar groups in other cities. It was found that Detroit was low proportionately in the number of gifts from $25 to $100; gifts from $100 to $500; and gifts from $500 to $1,000. A strategy was built up for that campaign that aimed exclusively at increasing the numbers of gifts in each of these gift groups. All of the departments of the campaign were

tuned to this special conception with ultimate satisfactory results.

Campaigns conducted without experienced leadership may succeed, but only by accident. Look over the successful federations the length and breadth of the country and it is seen that either the federation executive has schooled himself into being a resourceful campaign general, or some volunteer has been developed who knows campaigning thoroughly, or some of the various professional campaign managers are used.

Heavy emphasis must be placed upon the importance of the chairman. A federation campaign is manned by volunteers. It is the opportunity for hundreds of men and women to contribute labor and enthusiasm to their community. The general chairman is their spokesman. He needs to be a man of organizing capacity whose standing is above reproach, and who has the complete confidence of the general public. The federation campaign, far flung as it is, in its attempt to reach into every walk of life, into every home and factory, must gather aggressively under the banner of its soliciting army the millionaire and the man in overalls, Jew, Protestant, and Catholic, white man and colored man, women as well as men, Pole, Greek and Anglo-Saxon, all knit together in an enthusiastic and harmonious determination to attain the goal set for the campaign. The leadership in such an enterprise with such stakes cannot be slouchy.

Importance of Prospect Cards

The second principle is the compilation, efficient distribution of and constant control of a sufficient number of prospect cards. This work must be done well in advance of the canvas; and at the same time that they

are distributed a duplicate set of records must be set up that will enable the workers while the campaign is in progress to secure all possible information about those who have given, how much each person has given, those who have not given, why each person has not given, and where each prospect card not yet reported upon lies for solicitation. The federation endeavoring to make its solicitation completely comprehensive must so arrange its records that all of this will be accomplished; and at the same time must so handle its records that confusion and discouragement will not come to the workers. Different schemes are in vogue in different communities. In some places an extremely large number of individual prospect cards are prepared and handed out to campaign workers. In others only those prospects capable of giving a minimum sum of money, and falling within a restricted territory, are prepared and handed to the workers, who are instructed to lay particular emphasis upon these prospects, and at the same time to solicit everyone else residing or working in that restricted area.

In making up prospect cards there are certain naturally available lists. Memberships of the various clubs in the community are a good foundation, the thought being that anyone capable of paying the dues of a club is both capable of making a gift and willing to do so as a citizen of the community. Classified directories such as the Blue Book, or social register, the retail merchants, retail druggists, auto accessory dealers, and others are useful. In many places the city directory publishers will prepare any kind of a list that anyone may want for a modest price. One warning needs to be issued in regard to the preparation of any lists.

Clerks are apt to be careless in spelling and in transcribing addresses. Nothing is so annoying to workers in a campaign, or so discouraging to them, as errors like these. Campaigns are on record in which the number of errors in the lists have been so destructive to the morale of the campaign that its failure is directly traceable to them. Consequently, lists need to be checked and rechecked for accuracy. We should bear in mind that the American people are a migratory people, and that there are many removals from one place to another every month. It is discouraging for a worker to make a call on a prospect only to find that the prospect no longer lives there, or that he is dead, or that the corporation whose name appears is bankrupt or dissolved. The latest possible information in regard to addresses and all other information should be used. This can usually be secured in most towns from some source or other.

A second thing is a recognition that the distribution of prospect cards takes time. The federation is dealing with volunteers who are difficult of access and widely scattered. Their attention is not completely occupied with a campaign, and they have other business to absorb them. So if possible a full week before the opening of the campaign should be devoted to the distribution of names in order that prompt action may be secured in soliciting on the first day of the canvass. It is the brevity of the campaign that makes it possible to secure so many workers, and every hour set aside for soliciting is precious. Not a moment should be wasted in things that adequate preparation can dispose of in advance. When the prospect cards have been distributed, complete and accurate records need to be kept of

what has become of each one in order that captains and chieftains at any time may check up quickly the progress in the solicitation of any given individual.

The Soliciting Personnel

The third principle is the organized use of large numbers of volunteer solicitors. In no other philanthropic enterprise is an attempt made to reach such vast numbers of the people as in the annual federation campaign. Every solicitor whom it is possible to enlist is required; and these must be organized so as to conserve every minute of time. Present-day campaigns are dividing the solicitors into three general groups. The first reaches those who are capable of giving largely. The second reaches that portion of the public who are not units of some very large industrial, commercial or financial institution. The third reaches those working together in large employing units.

Big givers or special gifts committee is the name usually applied to the first section. It is universally agreed that the citizens of most influence, capable of giving the largest sums of money, should be approached by a hand-picked, compact group of persons. More than half of the fund will be given by a limited number of givers with wealth at their command Big givers solicitors should have normal connections with these persons, or be people whose capacity for selling and whose records for securing gifts of this type are excellent. Social and business relationships are of extreme importance in securing the large sums. A federation created to secure gifts not once in a lifetime but in many successive years cannot exercise too great skill in the selection of its solicitors in this department. The solicitor who approaches a giver is not only a salesman

seeking trade, but an educator teaching the citizen responsibility and convincing him that the discharge of that responsibility in adequate measure is not only an obligation but a pleasant and delightful performance.

For using the second group of solicitors, those who appeal to a miscellaneous assortment of individuals, various plans are in vogue. One of them is to arrange the canvas on a geographic basis, dividing the city into territorial units small enough to be controlled, and completely mastered by a captain who directs solicitation within it either on an office-to-office and store-to-store or house-to-house basis. This scheme enables the organization to reach the largest number of people with the smallest number of workers. It saves time in going from one place to another. But it requires a disciplined organization whose personnel is not greatly influenced by the inevitable discouragement that comes with calling upon those whose records for generosity are blank.

Another method is the so-called trades method, organized along occupational lines. Wholesalers, retailers, auto manufacturers, textile manufacturers, bankers, and persons in other occupations are segregated into their respective trade groups. A leader within each is secured who builds an inside organization to secure contributions. The theory is that the members know one another; understand one another's resources and habits; and have a certain trade pride. The combination of these things is supposed to secure the largest results. This kind of soliciting organization is predicated entirely upon the possibility of getting the right sort of leadership in each group, a feat that is frequently difficult. Unless that can be done the scheme falls by its own weight. There are places where it has not worked. There are other places

where it has worked well. The Jewish federation campaigns in New York are probably the best examples of successful campaigning with this type of organization.

A third scheme revolves around individual selection of prospects by each campaign worker. Preliminary to the campaign workers are called together and a list of all prospects is submitted to them in such a fashion that each is able to select for himself some twenty or thirty names. During the meeting the lists are kept in rotation so that each person may see a considerable number of them. Names selected by a worker are reserved for him. The remaining names are made easily accessible so that as the campaign progresses and the prospects are covered the solicitor may get new prospects for solicitation. Usually in this kind of a campaign everyone is given the privilege in the last two or three days of breaking away from his reserved prospects and soliciting anyone he chooses. This type of soliciting organization is based upon a theory that the worker gets the best result from the person whom he knows. Friendship enters into giving and each individual has the widest opportunity to make the most of his friendships. The objection to it for a federation campaign is the amount of time required to hunt up the prospects. They may be scattered in all parts of the community, thereby reducing the number of people that each canvasser will see; and making it impossible with the limited number of workers at the command of the organization to cover the largest number of individuals.

Industrial Solicitations

The third section of the soliciting machine is the industrial unit. Up to the outbreak of the war only very few experiments had been carried on in canvassing in-

dustrial or commercial workers at their places of occupation. The Cincinnati federation in 1916 and again in 1917 made some tentative exploration in this field, trying it out experimentally in half a dozen factories. Even these limited experiments indicated a fertile soil for cultivation. With the rise of the war funds it became obvious that everyone in the community must be approached for contributions if the enormous sums required were to be secured. A general habit resulted of asking workingmen to contribute at their places of business. Following the war the federations continued to develop this new field of giving.

In some cities a separate industrial division is created. In others an industrial canvas is carried on in conjunction with the geographic districting, the chairman in charge of a given area having under him a subchairman whose business it is to organize the industries of his area. In either case the final method is the same. Before the campaign opens each factory, shop, store, financial institution, or other employing unit that has any considerable number of employees is asked to appoint one person to be known as a keyman, who will be responsible for organizing solicitation within that industry. In large organizations there are frequently two keymen—one to work with office employees and the other to work with the industrial employees. The keymen in small plants usually carry on the solicitation themselves, going from one bench to another signing up the workers or from desk to desk signing them up. In large plants the keymen organize assistants in each department of the business.

Some abuses have arisen from time to time in this work. Manufacturing concerns exist that have threatened men with the loss of work and have intimidated

them in one way and another. On the whole, however, giving in the factories has been as voluntary an act as giving in the homes or in the office; and the alert federation discourages compulsory giving as soon as it appears. Frequently payday is selected as the day upon which solicitation is made, as it is the day when workingmen have ready money; and it is a growing habit in industrial canvassing to secure a small amount of cash at the time of solicitation rather than to take a pledge for a larger amount payment to range over a longer period of time. This is done because there is always a heavy loss in collecting payments on industrial pledges that extend over a number of months. The labor turnover in great industries influences collections; and the uncertainties attending the economic life of workingmen influence them. Long-time industrial pledges have been known to shrink in some instances as much as twenty per cent. When one realizes that industrial solicitation may be fairly, without injustice to the workers, expected to produce about one-fifth of the total fund, a loss of this amount is seen to be serious.

Campaign Publicity

The fourth principle of the campaign is the largest amount of publicity possible to secure. If a campaign is to succeed the public must be inoculated with enough interest to show a deep concern over the ultimate attainment of the goal. A willingness to give promptly without putting it off must be created, and a pleasantly receptive attitude to the solicitor. These purposes are accomplished by beginning the campaign publicity gradually and building up with increasing intensity into the grand climax of the final day of the campaign when the victory is to be won or lost. We are a

nation of dramatic enthusiasts. Whether the play is mimicked before the footlights, or played in dead earnest on the various stages of life, America loves the happy ending. All publicity conspires to a swift dramatic movement, and the grand climax of a goal attained.

Direct mail is used—generally one or two introductory letters being sent. Next the newspapers are employed extensively. Beginning approximately one month in advance human interest stories are carried regularly; stories about the campaign and about the organizations are displayed as news; speeches and endorsements, and anything else that fills space advantageously are given to the press. From ten days to one week before the campaign the newspaper advertising schedule is started. Each advertisement is arranged to dominate a page and arrest public attention. The advertising campaign usually laps one or two days over the beginning of the actual solicitation, with the thought that from this time on the news value of the campaign itself will take the place of advertising. The American press has been most generous in its use of news space, giving almost everywhere front page rights of way to the federation story in those days when the battle for dollars is being fought out. In addition, posters are used in windows; billboards and other forms of attention arresters, such as flags, street streamers, window decorations, exhibits and many other things. Carefully prepared pamphlets telling in pictures and words the story of the federation and its agencies are distributed widely. Sales manuals giving the solicitors minute instructions on how to approach prospects are prepared. Buttons for workers and for givers are distributed. A speaker's bureau functions throughout

the preliminary preparation period and throughout the campaign, speakers being sent into lodges, clubs, churches, and any place where a ready-made audience may be found.

A Time Limit

The fifth principle is a short specified time at the end of which the work is to be completed—somewhere between four days and two weeks. The fact that each solicitor works upon a time limit, with enough prospect records carefully organized to conserve his energy and time, and with the knowledge that he is backed by many other volunteers and by a great publicity campaign, secures the results. The enthusiasm generated by the publicity, the mass formation of the workers, and the sportsmanlike qualities that go with the campaign create a determination for victory within the time allowed that drives the organization to greater efforts than it would otherwise put forth, and creates a common mood of giving in the minds of prospects, and of giving promptly, which it is impossible to create in any other way.

Of course the internal machinery of the federation is busy weeks and months in advance of the public campaign. Plans must be made; records prepared; copy worked out; the organization put together; and preliminary gifts secured. The most successful federation offices pay attention to campaign preliminaries the year round, analyzing results, reshaping plans, strengthening weak spots, and refining old processes. Nevertheless the rule holds that a short compact space of time is an essential for the public campaign.

When the great army of solicitors have finished their work there is still much to do, reviewing lists and get-

ting gifts from those who were missed in the rush of the giant machine. Many thousands of dollars are annually secured by the alert federation after the public campaign is over. This is done by the staff, the directors, and a few of the most loyal friends.

Quotas for Givers

New refinements are constantly added to federation campaigns. In fact if there is one department of federation business in which the technique has been more thoroughly developed than another it is the campaign. One of these refinements that has caused a great deal of comment is a tendency to develop quotas for givers. In federated cities this habit has been accepted as a matter of fact; and has never created any special opposition. To be sure there is an occasional protest; but it is isolated and infrequent. In places that do not have federations the existence of the quota system is used as one argument against federation, opponents stating that the fixing of quotas exerts undue pressure upon givers, taking the happiness out of giving, working great injustice in a good many cases, and resolving the campaign into nothing more nor less than an unofficial tax-collecting scheme. These critics take the quota development too seriously. What the quota really does is to fix a rough sort of estimate of the amount various people should give in the light of what is known about their resources. It is a measuring stick that enables the conscientious giver to gage his own responsibility; and as such it is generally welcome. There are many cases, of course, where the obligations of an individual that have a prior claim upon his funds make it impossible for him to give according to his quota. That, however, is a matter for himself, and he is

not compelled to offer any explanations unless he sees fit. Fixing of individual quotas for subscribers is usually confined to a few who have the largest resources. Selecting the names of important givers, a thoroughgoing knowledge of their willingness and ability to give, and a distribution of those names to those who are to ask for the gift with explicit instructions, are among the most important matters in the organization of any campaign.

Its importance may be illustrated by these figures. The Detroit Community Fund raised in its campaign conducted in the fall of 1924 about $2,675,000. There were 782 individuals and corporations giving $500 or more, a total of $1,683,000. It is seen that this handful of givers produced 60 per cent of the total fund. Two thousand and ninety-seven givers gave between $100 and $500, a total of $322,000. In other words, approximately 2,800 individuals and corporations produced 73 per cent of the total fund. The remaining 27 per cent came from more than 200,000 persons. Under our prevailing economic system the great mass of surplus income of the community is in the possession of these few givers, and a limited number of others whose sense of community obligation is not interpreted in terms of generous giving. If it is accepted for the moment that current revenues for philanthropy can only be secured by securing gifts in proportion to the size of one's income, and if the budget of the community fund is determined upon the basis of the actual needs of the community, then a stern duty devolves upon the managers of the federation to leave no stone unturned in telling those who can afford to give the needs of the community and the proportionate share

of each in meeting those needs. When that has been done the matter may be safely left to the conscience of each separate giver.

Mr. Warren S. Hayden of the Community Fund in Cleveland, where the quota method has been worked out technically with more care and consistency than elsewhere, makes this statement concerning it: "An equitable distribution among its contributors of the financial burden now assumed by the Community Fund is another main objective which the Fund hopes to attain in the near future. The reference is to the fixing of quotas for our contributors. Even if we would, we cannot hope to force contributions from unwilling givers; neither should we, on the other hand, take advantage of the free-handed generosity of those who are now the Fund's substantial contributors. We must, as I see it, without imperiling the Fund's resources slowly accomplish a readjustment through the education of contributors not now inclined to accept their full obligation and through reduction of the heavy and often disproportionate burdens now assumed by some of our donors. This must not be interpreted as indicating an intention to demand a larger share of support from wage-earners or others whose present rate of giving is in many cases proportionately higher than that of many well-to-do citizens."

Quotas for Solicitors

Quotas for solicitors as well as for givers have been adopted as a method in many campaigns. Any scheme depending upon volunteer effort and governed by a time limit must in the course of time wipe out of its mechanism as much of the dead tissue as is possible. There is not the same control over volunteers that a

stock and bond company or a real estate concern exercises over its professional salesmen; and it is necessary therefore to devise various schemes partly for the stimulation of the workers and partly to give an accurate knowledge of their usefulness. In order to be fair about this matter it has come to be a habit to give a worker two quotas, one for the sum of money which he is expected to raise from his prospects, and the other a percentage of efficiency in the proportion of his list of prospects that he reports upon. He is measured not only by the money he produces, which may very readily be an unfair measurement, but by the number of givers that he secures out of those he is to see, which is a better test of his sales efficiency.

Personal Interest of Givers

The final point about a present-day federation campaign is the answer it gives to those who say the federation movement prevents the agencies from keeping in touch with the givers. Almost everywhere the campaign organization is built from persons deeply interested in separate agencies. More and more the habit has grown up of using agency executives in responsible positions in the campaign structure. In Detroit the backbone of the standing campaign organization is a group of the ablest agency executives in the community. The general chairman of the last several campaigns has been the General Secretary of the Young Men's Christian Association, a man of commanding stature among the citizens of his town. The six great territorial areas of the campaign have as executive secretaries six of the ablest chiefs of separate agencies. Another executive of an organization heads the speakers' division; and many other social workers have important positions of

leadership in the campaign. Different social agencies are given special territories to organize, using board members, committee members, and friends of the agency. Other organizations are required to produce a certain quota of solicitors.

Federation campaigns give the agencies a chance not only to know the givers, but to test one another's qualities in the furnace of a great fire. When their workers and their friends have gone together through the heat and turmoil of a few campaigns, they are welded into an enduring union that dynamite cannot blow asunder.

CHAPTER XII

FINANCIAL RESULTS

Social agencies are led more frequently into coöperative fund-raising because of difficulty in securing adequate support under the competitive system, and because the sponsors of federation promise a larger yield of money, than for any other reason. This promise upon the part of federation, and the reliance of agencies upon it for financial growth, compels the federation managers to accept as a major test of its success its own ability to produce more revenues than have been produced under the separate agency method, and to increase income more quickly than it would have been increased without federation. Accordingly it is important to apply the standard of financial productivity to the federation movement before conceding its claims to success.

Financial Results Before the War

Two distinct periods, pre-war and post-war, should be studied in any examination that seeks the evidences of success or failure by this measurement; because the war greatly changed our outlook on social finance, whether federated or not. When Henry P. Davison assumed the chairmanship of the War Council of the American Red Cross, and decided to raise $100,000,000 in the first great war campaign, he ushered in a new era of social financing in America. That great

reservoir out of which a good share of our philanthropic revenue is drawn, the economic surplus of the continent, had been accumulating for many years at a much more rapid rate than the flow of income from it to philanthropy. Patriotism blasted new outlets that were not closed entirely after the tidal wave of war enthusiasm had ebbed; and social institutions of every kind and character have enjoyed much larger revenues since. So any fair examination of the money-raising power of federation must take cognizance of two spans of social financial history, one before the war period and one after the war.

The Denver background does not throw much light upon this problem. After the first spurt of money raising, which probably was quite satisfactory at that early time in Denver, a distinct slump occurred and for many years the federation was barely kept alive by the power of inherent cohesiveness that is in the movement. Facts comparing it with financial growth elsewhere and facts that disclose the local background are both so obscure that a true appraisal is hardly possible. The evidence which is available points to the conclusion that the Denver federation, up to the opening of the modern federation period, was more of a financial failure than it was of a success. We need to bear in mind of course that there are not many similarities between this organization and the elemental principles that came into existence later, and have been knit into the movement, as part and parcel of its structure.

Jewish Success

Jewish pre-war federation history is more completely recorded and throws interesting light upon the financial power of the well conducted federation. In

Chicago the income of the Jewish Charities, which was $110,000 the year before the federation was started, jumped to $135,000 in 1900, the first year of the federation; to $149,000 in 1905; to $368,000 in 1910; and to $522,000 in 1913. The Cincinnati federation opened its career with a substantial increase over the amount raised in the year before its establishment. In 1900 the income was $32,000; in 1905, $48,000; in 1910, $75,000; and in 1914, $104,000. Philadelphia's record is also illuminating: $122,000 was produced in 1903; $141,000 in 1908; and $208,000 in 1913.

Dr. Joseph Jacobs comments upon the annual growth in certain cities: "In this connection it may be desirable to offer the following table which gives the annual per cent increase of the returns of federations during their existence. It would be unfair to estimate this from the first year of federation to the last average, as this would not indicate the true advance made by federation. This can only be ascertained by contrasting the income of the year before federation and the last year of federation. Owing to the unequal responses to the questionnaire sent to all the federations, it is only possible to make this comparison for the following six cities:

	Year before Federation	Income	Last Year of Federation	Income	Annual Per cent Increase
Baltimore	1906	$46,682	1913	$98,148	15-6/7
Brooklyn	1909	81,877	1913	160,683	24
Chicago	1899	110,000	1913	522,170	26-3/7
Cleveland	1903	25,000	1914	84,000	21-5/11
Louisville	1908	16,500	1913	29,844	16
Philadelphia	1900	95,000	1913	208,000	9-1/13"

The new movement inaugurated in 1913 for community-wide federation has preserved sufficient records

to throw a good deal of light upon the ratio of financial success between that year and the outbreak of the war. The following table of some of the early federations gives the picture:

	Year Organized	Year Before	1st yr.	2nd yr.	3rd yr.	4th yr.	5th yr.
Elmira	1911	$.....	$11,435	$12,322	$14,026	$15,040	$18,847
Cleveland ..	1913	350,000	429,180	477,183	480,183	543,656	.....
Baltimore ..	1914	164,820	228,026	.....	.....	.....	.....
South Bend.	1914	18,000	22,000	22,400	.....	.....	.....
Dayton	1914	.....	30,784	34,878	38,049	.....	.....
Cincinnati ..	1915	118,000	157,000	215,000	.....	.....	.....
Erie	1915	35,000	64,000	.....	.....	.....	.....
St. Joseph ..	1916	16,000	25,000	.....	.....	.....	.....
Louisville ..	1917	135,000	237,000	.....	.....	.....	.....

In the study of federations made by a committee of the American Association of Charity Organization Societies a general estimate was made that charity organization societies in unfederated cities during this period were increasing their revenues at a general average rate of 7 per cent per year. These organizations had active and aggressive money-raising power. It will be seen readily from the statistics of the Jewish federations and of the general federations that this rate of increase was exceeded on the whole by the federations. Unfortunately we have no figures for other movements; nor have we any information showing the rate of financial growth for new agencies in unfederated cities. But it is hardly possible that the total increase of all agencies old and new equaled federation growth.

Reasons for Increased Giving

There are a number of reasons why this is probably so. In the first place many people were not giving as much as they thought they were giving. The explana-

tion is very simple. When the solicitor for the first agency came to a man at the beginning of his fiscal year his gift was made with the restraining thought that many others would be along presently and he must save something out of his gift fund for them. So he was cautious in the amount he gave. Toward the second and third solicitor he acted in much the same way. When the fourth one came, he concluded that they were getting too thick for him, and he declined to give. At the end of six months he had given to several and had refused several; but his memory was dimmed and he thought he had given to more than he had. Throughout the year he was constantly bearing in mind that others would come and he must reserve money for them all; so that when the year was closed he had given less than he thought he had given. Now the federation turned up and asked him for a lump sum to cover all of the agencies, with a statement that none of them would come individually. He pledged therefore the sum he thought he had given previously, which as we have seen was in excess of what he really had given. This is the actual explanation given by many federated givers for their own increases.

Again, the federation solicitor with a list of all the agencies and statistics of all their work painted to the man of large conceptions a much bigger picture of his obligation than the fragmentary pictures of the individual solicitors put together could piece out for him. He gave in proportion to the size of the conception presented to him.

A third reason offers itself. Many givers confined their giving to one or two agencies previous to federation. In the early days of the movement it was the uniform custom to use a pledge sheet bearing the names

of all of the agencies to be supported and the amounts each one sought. This was placed before the prospect and when he had designated the ones to which he had previously given, setting opposite their names the amount of his previous gift, it was not particularly difficult to convince him that some of the other organizations should share his largess; and thus to get from him additional sums. The undesignated fund was an important part of the early federation program. It was the reserve from which those organizations that were underdesignated were to receive the equalizing appropriations necessary to make up their budgets, and from which the federation itself was to be supported. In most instances it was easy to secure from the givers who were designating the objects of their interest an additional amount for the undesignated fund.

More Givers

And finally the federations in this period were constantly securing more givers than had previously been secured. The spectacular growth of givers has been a matter of after-the-war development; but pre-war federations slowly but surely were increasing the numbers of givers. The reasons again are relatively simple. Under the separate solicitation program one giver was frequently called upon by many solicitors, or received letters from many organizations. This was a costly process both in time and money. When the federation was started the records of giving were pooled and only one solicitor or one set of letters was sent to each giver. Time, energy, and money so released were converted into enlarging the circles of those to be solicited. The same time, the same energy and the same money that had previously been employed now reached many more

people. The educational waves were spreading in wider circles, and under the new impact more and more givers came into the field.

We have very little evidence concerning the rate of growth in number of givers under the pre-federation plan. It is true the Cleveland Chamber of Commerce discovered in its two investigations made prior to the establishment of the Cleveland federation that the number of donors in Cleveland had actually dwindled between the first and the second survey. It does seem, however, that this condition must have been local and temporary, due to some peculiar reason in the particular years of these studies. There must have been, and certainly was, generally speaking, some growth in the number of givers during the competitive period in philanthropy. The following table shows how the establishment of the federation affected the number of contributors during the first year in several of the pre-war federations:

	Year	Before	First Year
Cleveland	1913	5,000	5,000
Baltimore	1915	3,750	4,300
Cincinnati	1915	3,000	4,000
Dayton	1914	500	1,200
Erie	1915	2,000	4,000
Louisville	1917	3,400	5,500
Oshkosh	1915	400	900
Richmond, Ind.	1914	225	560
South Bend	1914	500	3,400

Reducing the Cost of Solicitation

One of the promises of federation was that it would reduce the cost of solicitation. The early Chamber of Commerce studies in Cleveland, while not arriving at any hard and fast figures covering the cost of money raising, estimated that the agencies financing themselves spent on an average 20 per cent of their income

in securing that income. Cincinnati, in a study of the situation prior to the organization of its federation, estimated that the agencies spent about 15 cents of each dollar in getting that dollar. This estimate of 15 per cent was confirmed in a number of cities. During the years from 1913 to 1917 the cost of raising money in federated cities did not exceed 12 per cent anywhere and dropped as low as 7 per cent in some cities. The movement then was definitely on the highway toward the goal of a low money-raising cost.

Giving After the War

We come now to the post-war period. The years 1918, 1919 and 1920 were hectic years in social finance. In 1918 and part of 1919 war funds were being raised. In 1918 and part of 1921 many federations were carrying giant appropriations for overseas relief, and were still financing French, Belgian, Austrian and German philanthropic work. Any calculations based upon these years are complicated with so many abnormal factors that it is more confusing than otherwise to use them. We must confine our examination to later years. The Chicago Council of Social Agencies published in 1924 a most exhaustive analysis of the separate financing of Chicago agencies in juxtaposition to federated cities. Figures taken from this report throw some light upon the relative values of money-raising by the federation method and money-raising by the separate agency method in the three-year post-war period.

"The cities employing the financial federation method, for which facts were available for the items included, present the following results under federation operation, which may be of major interest:

"1. Eleven cities which have organized federations

during and since the year 1920 (post-war period) show the following ratio between the total amount raised the year immediately before federation and the amount raised the first year of federation:

Number Cities Included	Amount Raised Year Before Federation	Amount Raised First Yr. of Federation
11	$3,827,100	$5,813,500

"2. Forty-seven cities show the persistence of federation financial results during a three-year post-war period as follows:

	Amounts Raised		
Number Cities	1920	1921	1922
47	$21,374,649	$23,136,706	$25,604,984

"3. Thirty-six cities show the increase in number of contributors through federation during a three-year post-war period as follows:

	Number Contributors		
Number Cities	1920	1921	1922
36	749,000	916,000	1,040,000

"4. Forty-four cities show the ratio between the first year of federation goal set, and the amount raised as follows:

First Federation Year Goal	Amount Raised
$28,149,000	$27,438,500

"5. One hundred cities show the ratio between the amount sought and amount raised in the last campaign. Sixty-seven of the 100 were undersubscribed.

	Last Campaign	
Number Cities	Amount Sought	Amount Raised
100	$38,118,144	$35,657,435

"There is little question as to the satisfactory results of joint funding of social agencies in total amounts raised, numbers of contributors, cost of fund raising

in money and personal effort and in the development of coöperative and standardizing phases of service."

The Boston Council of Social Agencies in a similar study in 1924 records that the total income of 150 agencies making annual reports to the State Department of Public Welfare for the last twelve years without interruption shows that these agencies increased their income from contributions by 114 per cent. In comparison with this is the Cleveland increase under federation of nearly 800 per cent, the Cincinnati increase of 459 per cent; and the Detroit increase of approximately 300 per cent.

In the meantime following the war the cost of money raising through federations has been greatly reduced, none of them exceeding now 7 per cent and the majority ranging from 3 per cent to 5 per cent.

Enough has been given to indicate with a reasonable degree of satisfaction that the federation movement as a whole both before the war and after the war has demonstrated an unusual power in increasing the flow of voluntary gifts and the number of givers.

Skeptics about the coöperative scheme have frequently argued from the fact that many campaigns did not reach the announced goal that the federation itself is a financial failure. This fact taken by itself as we have already seen is no evidence at all. If the federation raises more than the amounts secured immediately prior to its organization, even if it does not attain a campaign goal, it has succeeded. If it keeps on getting larger and larger sums each year without reaching a public quota, it is continuing to succeed. A campaign goal measures an expectancy, an aspiration, a sum desired. It should not be an extravagant expectancy. Neither should it be a niggardly one. Leeway is needed

in any financial operation, and the federation should try to provide reasonable leeway for itself. Furthermore, harmonizing a campaign goal with the exact amount that the public will contribute is not an easy thing to do. Many unforeseen factors upset such calculations. If the estimate is within five per cent of the final result, either more or less, the estimate has been made with reasonable care.

Not All Federations a Success

It would be foolish for any advocate of federation to assert that all federations have succeeded financially. Not all have. Neither have all banks that have been launched succeeded, nor all automobile companies, nor all charity organization societies, nor all hospitals. The human equation is a powerful factor in the success of any institution organized and run by men. Ability is needed, good planning, and hard work. When these are lacking the federation will always fail. Some federations have been launched without the necessary preparations. A careful ground work must be laid to insure coöperation of agencies, workers, and givers alike, and this takes time. In one place it takes longer than in another. No group of social agencies in any city should permit itself to be rushed into federation without assurances that everything possible has been done to build a solid foundation upon which the structure of coöperation is to be reared.

One consideration remains that requires a good deal of study. A glance at the following table shows that while some federations now in existence over a period of years have in the last several years made large gains in income, there are others which have not done so.

Cities	Population	1921	1922	1923	1924	1925	1926
Philadelphia ..	1,979,364	$.....	$1,955,533	$2,579,536	$2,889,938	$2,920,654	$3,120,705
Detroit	1,242,044	2,446,000	2,310,218	2,304,957	2,518,952	2,678,700	3,035,000
Cleveland	936,485	4,370,000	3,819,617	4,250,000	4,175,186	4,285,903	4,430,000
Baltimore	796,296	390,000	334,500	350,147	437,000	470,000	785,000
Toronto	550,000	393,000	387,409	445,000	400,000	377,000	408,000
Buffalo	539,016	373,000	561,269	572,000	618,625	649,000	714,230
Milwaukee	509,192	250,000	392,287	481,950	690,438	763,160	842,228
Cincinnati	409,333	1,751,000	1,700,000	1,761,000	1,767,262	1,807,000	1,825,000
Minneapolis ..	425,435	1,072,724	1,048,087	1,011,231	1,053,210	1,042,139	1,130,000
Kansas City, Mo.	367,431	800,000	772,125	841,943	919,570	926,352	966,173
Indianapolis ..	358,819	403,000	447,569	545,037	605,144	633,035	650,662
Rochester	316,786	1,207,000	1,257,786	1,294,006	1,301,100	1,321,760	1,364,375
Toledo	287,380	.....	478,119	691,856	733,515	743,876	757,684
Portland, Ore..	282,383	594,000	450,000	520,460	591,911	607,906	552,000
Denver	280,911	152,000	218,000	648,990	662,700	731,360	715,000

The 1921 column shows figures still influenced by the war period. Incorporated in them are large appropriations for foreign relief.

Does a Point of Saturation Exist?

The static condition in some of the funds since 1922 has given rise to a speculation as to whether or not there is a saturation point at which giving sooner or later arrives and where it remains, making only such advances as may be attributable to the increase of wealth and population. The writer is inclined to believe that this level of stationary production which, incidentally, is as characteristic of nonfederated as it is of federated cities, is not determined by a saturation point in the sense that the business world uses that phrase. It is not a point beyond which no further advance is to be expected in voluntary giving from constituencies of the same wealth and population. It is rather a point of diminishing returns for the present-day campaign method.

There is plenty of evidence to support this belief. The early Jewish federations, which set up the elements out of which the present elaborated federation method was evolved, experienced for several years a rapid advance in total contributions. Then a level of giving was reached and maintained generally for ten or fifteen years, until a new impetus advanced the level to higher reaches. Cities that are not federated have gone through the same experience when, as sometimes happens, a group of new board members and new executives take hold of several agencies at about the same time. Their fresh enthusiasm sweeps the tide of giving upward until it reaches a new level, which is

sustained until their term of service lapses and an infusion of new energy, starting where they left off, pushes the level still higher.

A point of saturation in giving may exist, but it is safe to say that no city has yet attained it. There is, however, a very definite point of diminishing returns for any particular method coupled with unchanging personnel. This point is constantly being reached here and there, and temporary levels of giving are thus created. It is possible that these levels of giving cannot be avoided, and that production at any given moment cannot be raised above them. But the student of social finance need not admit this until the evidence is overwhelming, and at any rate he should not admit that their frequency and duration cannot be reduced by intelligent thinking.

Levels of Giving

These levels of giving are the heart of the whole problem of the gift income of federations. They confront every town, every agency, every continuous money-raising effort. It is popular to credit their continuance to unsatisfactory methods of educational publicity. Although a fragment of the truth rests in the unsatisfactory development of that department of social work promotion, as we shall see in a later chapter, it is only a fragment. To blame the educational processes for stationary levels of giving is a lazy man's answer. We need to go well beyond that and to challenge all of the methods of present-day federation financing, and examine them with the most searching impartiality. We shall find that our educational methods are weak, to be sure, but we shall also find

plenty of other places in our scheme of federation management that need to be bolstered up with the hardest kind of labor.

First to be questioned is the so-called immunity rule. Does it need some carefully thought-out modifications in the interests of greater production? This immunity rule, that has come to be an integral part of all financial federations, requires an explanation. It is one of those things that is greatly misunderstood. Many old line organizations in unfederated cities have challenged the wisdom of the immunity rule. The early immunity rule, in vogue in Cleveland and other towns at the beginning of the modern federation era, stated that only those persons would be immune from solicitation by the agencies who gave to the federation a sum at least equivalent to the amount they had previously given to all of the organizations now federated. With the passage of time the rule has come to mean that anyone giving anything to the federation will not be solicited again for current revenues for any of the federated agencies in the same year unless a real emergency arises. In practice there are minor modifications here and there that are of no real significance.

Modifying the Immunity Rule

The immunity rule is the major plank of the givers' bill of rights which he has written into the scheme of federation. Under the single agency method of raising money each giver was the prey of any solicitor who could reach him. Very few men and women enjoy the process of listening to those seeking subscriptions, and of denying a gift at the close of the interview. Many of them will go to great lengths to avoid it. There is always a knowledge in the back of the mind of the con-

scientious contributor that he has no real evidence of the worthwhileness of most of the programs presented to him by those with whom he has no intimate connection. There is always a knowledge that the solicitor may be an impostor; or that the affairs of the institution may be badly managed; or that the work, in spite of an able presentation, is not necessary; or that the glib-tongued individual sitting before him may be a professional promoter whose business it is to concoct schemes for his own profit. There is also the knowledge that in order to favor a friend or a business connection, or to maintain social prestige, he may have to make gifts that he cannot afford.

When the federation plan was proposed, givers at once saw a means of relief from the necessity of judging each separate appeal; a relief from the waste of time taken up by solicitors; and a relief from a kind of pressure that was very unpleasant. So business men backed the federation movement with insistence that it establish an immunity rule to stop promiscuous solicitation. The rule does stop it to some degree. At least it stops a number of solicitations equivalent to the number of agencies in the federation. Therefore it is not to be trifled with thoughtlessly. Certainly no concessions whatever are to be made to any social agency that may want to break it merely to extract another dollar for themselves irrespective of justice or of agreements that have the binding effect of moral contracts. On the whole social agencies have profited greatly from the immunity rule. The generous who give once a year give generally speaking on the basis of a philanthropic budget of their own, and give more than they would if they dribbled their gifts throughout the year.

Nevertheless experience is teaching us that there are some circumstances in which generous givers themselves are quite willing to modify the hard and fast interpretation of the rule. They can achieve the main things they are after—responsibility in philanthropy, budget and program review, the control of imposture, a spread of giving and of useful work, and relief from constant annoyance—and still make limited concessions for the good of social work, in which they have as deep an interest as anyone else. We can see the tendency toward modification by referring to the appeal for the Japanese earthquake sufferers some years ago. At that time Cleveland and Detroit followed divergent paths. Cleveland promptly appropriated $125,000 from its Community Fund and felt satisfaction in forwarding its check upon the same day that the appeal was made. It held to the immunity rule. Detroit did not. It conducted a separate letter and newspaper appeal; and within six days from the time the call was made forwarded $150,000. These different courses seemed to have little effect on the respective community fund campaigns that followed. Detroit apparently raised no less money in its campaign, and Cleveland no more, because of the steps taken for Japanese relief. Detroit givers were not at all critical and responded at once. We know that a true emergency will practically finance itself if a quick and intelligent appeal is made. We also know that if the appeal is postponed until public interest wanes, as in the case of the Smyrna holocaust, it takes superhuman efforts to secure relief funds. A disaster appeal submerged in other appeals and postponed until it is convenient to make a united campaign, probably does not increase very much the sum total of giving. Is it not safe to say that the giver is willing to agree

that the community appeal should be in the main for established enterprises and that unusual and transitory appeals, in the interest of greater production, should be made separately?

A Bargain in Philanthropy

There is a criticism of the immunity rule that leads us into a reëxamination of our prevailing methods of campaigning. This criticism is hard to answer; or rather, the corollary of this specific criticism is hard to answer. It runs that the immunity rule enables the rich to buy a bargain in philanthropy, to give less than they should. The writer holds no brief for the rich. He has preached the social obligation of wealth in as straightforward a fashion as the best, in season and out of season. Yet it should be said in fairness that the rich on the American continent are giving in a more generous proportion than the middle class. It is true there are plenty of members of the wealthy class who are not giving generously. The milk of human kindness curdles in the pocketbooks of these poor souls. But they never did give generously. Many things about the federated movement make them give much more now than they gave in pre-federation times, or would give without the federation. Any federated city would be regarded as a flat failure if, as in Boston, 52 per cent of the persons recorded in the Social Register, and 48 per cent of the members of the Chamber of Commerce, were not givers. It is not the immunity rule that is holding down the gifts of the pauper-souled rich in federated cities. The spotlight of federation plays upon them too well for that.

The corollary of this criticism is this: the immunity rule imbedded in the once-a-year campaign enables the

middle class to buy a bargain in philanthropy. Again there are many members of the middle class who are extremely generous. And there are more who are not. The lower planes of income are not yielding gifts in the same proportion to their possibilities as the higher planes anywhere in America.

When in federation campaigns many moderately well-off people repeat a pledge of twenty-five dollars year after year, and pay in full at once, it is time to ask ourselves if these same people, who seem to have easy cash, would not cheerfully repeat the gift if they were properly approached later in the year. When a thousand factory pledges come in a bunch, each amounting to a dollar in cash, it is time to ask ourselves if another appeal six months later would not produce another dollar apiece from the same men. Such givers have not yet caught the fundamental conception of community giving—a careful budgeting of part of their incomes for philanthropy. Thrift is not a universal habit; and it is not impossible that many people will never budget their incomes.

Campaign Method Criticized

It is easy to set up a habit of giving in a thousand outstanding people, to maintain and expand it. All the methods that have ever been invented conspire to achieve this almost automatically. To set up the habit in ten thousand dimly prominent persons, and in two hundred thousand obscure ones, is easy too. But to keep the habit from settling into a rut, and to stretch it to higher and higher reaches in this obscure mass, is a new and a perplexing problem. The real difficulty is probably in a paucity of methods and of ideas. There must be constant study of soliciting processes, tested

by trial and error. No one has enough practical experience yet to state what the ultimate processes should be. This much is certain: present-day campaign methods, excellent as they are, and productive as they are, are not good enough or productive enough for the future. The campaign method is not to be abandoned; but it is to be modified, intensified, and made more efficient. To-day it relies too much upon mass attack, and its brevity, while being one of its great strengths, also breeds great disadvantages.

In the days before the federation an agency created in a prospect the desire for giving to itself. By repetition he fixed a habit upon himself of giving a definite sum, and it took new arguments, new presentations of larger needs, new solicitation blood, and new strategies to get him to break the habit and to give larger sums. Exactly the same thing is happening in federations. The joint appeal gets more givers, and lifts the giver to higher levels of giving than those he rested upon before; the volunteer solicitor who has raised him to his present level has spent his effort and is contented to collect the same amount from him in succeeding years, or must be contented with the same amount whether he chooses or not; and the brevity of the campaign based upon mass attack makes it hard to overcome the difficulty.

Those who manage campaigns year after year know this and struggle against it. Probably three reasons exist why it is not corrected more promptly. One is that the arguments for securing increases are not worked out with enough skill. The next is that the distribution of prospects to solicitors is done too hurriedly. It is really a job that calls for months rather than for weeks. And the final reason is that not

enough professional help is used in setting up the campaign machinery. To get motion into any campaign, even when it is known that it must come annually at a given period, is a difficult job. Volunteer solicitors do not want to work. Their minds are filled with other matters; and so much energy is spent in getting them started by the few paid officials of the federation that not enough time remains for intensive distribution and direction of the work. Present-day campaigning is like spinning a top. The top is wound and thrown. If it spins, well and good. If it doesn't we must wait until it is wound and spun again, which means another year. There is too much reliance upon luck. Elements of chance can be removed by more help that is controllable, as volunteers are not always controllable; by more carefully built sales talks; and longer periods of intensive preparation.

When these things have been done more and more specialized effort will be made by one infiltration attack after another to enlarge the giving habits in segregated groups where some natural cohesion makes it reasonably possible to study and master the special problem they present. The doctors and the lawyers are a convenient illustration. As a group they give very little. Medical men have a complex, a beneficent complex, as to the amount of charitable work they do. Their training and professional experience, and that of lawyers too, make them individualists, and they are slow to accept any idea of organization. It is exceedingly hard for solicitors who are not sick to see doctors. There will have to be special educational campaigns designed to overcome these specific obstacles; and a method of solicitation that does succeed in getting healthy solicitors into their offices. What is generally true of doctors and lawyers is true of many other

cohesive groups that can be studied and treated as the particular situation warrants.

Grand Rapids Breaks a Level of Giving

Grand Rapids has already been cited as an illustration of the value of refusing to take a level of giving for granted. For several years the city was confronted with what was virtually a static level. It was lifted by resort to an extremely simple device. A new campaign chairman conceived the idea of writing a lengthy letter to all large givers who he thought were not giving enough, deliberately and pointedly asking for a specific larger sum from each. The first effect of the letter was a general laugh from all over town. The ultimate effect was to produce—not what the letters asked for—but larger sums all around, and a handsome general increase from the city at large.

Another more complex illustration of the possibilities may be seen by using some figures from a study of the American Association for Community Organization in juxtaposition to the progress Detroit has been making in giving in the last few years. The American Association calculating on a basis of averages of present-day giving in a great many cities estimated that a fair production in any city of a million population in 1925 would be as follows:

Size of Gift	No. of Givers	Average for each Gift	Total Amount
$5,000 and over	100	.....	$1,300,000
1,000 to 4,999	350	$1,800.00	630,000
500 to 999	800	600.00	480,000
250 to 499	1,200	300.00	360,000
100 to 249	4,000	140.00	560,000
50 to 99	5,000	55.00	275,000
25 to 49	10,000	30.00	300,000
Less than 25.....	220,000	3.18	700,000
	241,450		$4,650,000

In 1923 the table for Detroit giving was as follows:

Size of Gift	Number of Givers
$1,000 and over	345
500 to 999	358
100 to 499	1,828
25 to 99	3,871

During each of the next three years special efforts were made to increase the number of givers and the average gifts in the $500 to $1,000 class; the $100 to $500; and the $25 to $100 class. Prospects who should belong in those classes but who had not found their way there received very close attention. By 1926 the following results had been achieved:

Size of Gift	Number of Givers
$1,000 and over	413
500 to 999	490
100 to 499	2,338
25 to 99	5,524

The mass campaign also presents great possibilities of a giving turnover or of losses through failure to secure renewals in obscure groups. Paying attention to this aspect of its problem Detroit found itself losing approximately $170,000 in 1923. By introducing better methods of checking records during the rush of the campaign and bolstering weak spots day by day these losses were reduced in 1924 to $120,000.

The introduction of these plans brought Detroit from a total fund of $2,306,000 in 1923 to $2,518,000 in 1924; to $2,678,000 in 1925; to $3,035,000 in 1926. Detroit is not the best illustration of how levels of giving may be broken, because of the low level she had at the beginning of this period of growth, and a comparatively low level still. Nevertheless, out of the

Detroit experience may be seen emerging some of the necessary changes in the mass plan of attack used so frequently in federation campaigns.

Constant dissatisfaction with prevailing habits of giving, constant labor to correct the present faults of federated money-raising, will bring federated cities eventually to a point where some system of equitable distribution of giving will prevail throughout all walks of life.

A Dream for the Future

Charles E. Adams, who has been campaign chairman of the Cleveland Community Fund for many years, has worked up a chart showing what he conceives to be the ideal production of voluntary gifts for current expenses in a community of a million inhabitants. Here it is:

100,000	givers	at	$5.00	each.....	$500,000.00
50,000	"	"	10.00	"	500,000.00
50,000	"	"	15.00	"	750,000.00
15,000	"	"	20.00	"	300,000.00
10,000	"	"	25.00	"	250,000.00
5,000	"	"	50.00	"	250,000.00
5,000	"	"	100.00	"	500,000.00
5,000	"	"	200.00	"	1,000,000.00
5,000	"	"	300.00	"	1,500,000.00
5,000	"	"	500.00	"	2,500,000.00
250,000					$8,550,000.00

Before criticizing the small amounts assigned to the top layer of society, one needs to complete Mr. Adams's picture by understanding that the present large givers are not relieved, but are supposed to continue to give as generously as before for buildings, parks, playgrounds, art treasures, religious edifices and programs, and a multitude of other things for the enrichment of the community. He proceeds on the theory that the

rich must provide the capital funds for social progress and that the everyday citizen should provide the current costs.

This conception is by no means an illusory dream. When a city can increase its givers of a dollar and up, in seven years, from 8,000 to 215,000; when it can teach men who did not think of giving three years ago to give a dollar a year now as a matter of habit; when it can teach men who once gave a hundred dollars a year grudgingly to give ten thousand dollars happily, there is no fundamental obstacle to further progress if we will only maintain an open mind and stand ready to question all of our premises. The fundamental processes in operation have an irresistible forward swing. There are great difficulties to be overcome. New methods must be tried in the fire of experience, with heartaches and disappointments as well as triumphs. But we are on a highway that goes forward and leads eventually into some expansion of giving that will approximate the picture Mr. Adams has drawn.

Raising Money for New Ventures

Another point to think over in any attempt to increase community income is the federation relationship to new social service enterprises. It is a familiar fact that new enterprises can raise more money, in places where levels of giving have been reached, if their financing is undertaken by a completely new group of volunteers and executives. The rise of many movements in the past, for example the Boy Scouts, demonstrates this. The Young Men's Christian Association, which brought the Boy Scout movement to America, showed great financial wisdom when it cut the enterprise loose from itself. Must the federations relearn

this lesson? Perhaps greater production will be secured if new enterprises, not promoted by the coöperative group, are required to start independently, and to create their own clientele both of givers and of workers. When later they merge into the united group they will bring an infusion of new blood that is almost always to be desired. And are there not a few very intimate personal affairs that will get much more money if the individualized appeal rather than the mass campaign is used?

In closing a discussion of the financial results of the federation, one cannot help pausing to note the wide divergence that exists in the money-raising power of federations in different cities. Cleveland, Cincinnati, Rochester and Montclair, for instance, show a very high per capita gift for the total population of their cities. Others show less amounts in varying degrees. One explanation that is only partially satisfactory is covered by the financial habits of the different communities that have grown up in the course of the years. Detroit, for instance, stands out as a city that has placed an unusually large burden of social work upon the municipal and county governments, thereby relieving the private agencies of the necessity of securing funds for many enterprises which those other cities of notable generosity carry in their federation budgets. Boston stands out as a community in which a notably large proportion of its revenues come from the earnings on endowments.

Another explanation that qualifies any examination of statistics is the inclusiveness or non-inclusiveness of the federations under examination. It is, for instance, quite unfair to class the Philadelphia federation with the federations in Detroit, Rochester, Cincinnati or

Cleveland, because the Catholic agencies and the Jewish agencies are not included in the general federation in Philadelphia.

But when these qualifications have been made there is still a more fundamental explanation for the divergence in productivity which all federated cities need to take into account. Back of the figures for each of the cities is a story of personality; of the lives of men and women; of leadership or the lack of leadership; a fascinating story of burning human interest, that culminates in true American fashion in a column of figures prefixed with a dollar sign.

The Tradition of Generosity

Superlatives are dangerous, but it is not too much to say that Cleveland and Cincinnati at the present time are among the most generous cities in America. Their respective federations produce in round numbers each year $4,400,000 and $1,800,000; staggering sums, when we realize that Cleveland is sixth and Cincinnati fifteenth in population among American municipalities. In addition citizens of these communities have given recently millions more for building funds.

How do they do it? The federation plan is, of course, an answer; but it is only a part and by no means the most important part of the whole answer. These community funds represent the flowering of old trees that have been carefully nurtured for many years for just such a flowering. The true answer is in the lives of citizens, in a tradition of generosity, established many years ago, carefully fostered, and handed down through the generations. There are families in both these towns that cherish the ideal of generosity as they cherish the ideal of business success. These gen-

erous families, dominant in business and society, have given parks, art treasures, educational funds, as well as buildings and working funds for philanthropic purposes. From them has slowly spread a contagion of generosity. It is good form to be generous in those towns and to take a lively interest in human progress; it is not good form not to do so.

Again the answer in both cities is that a group of business and professional men of the present generation have contributed for many years and are still contributing vigorous leadership to philanthropy. Each group is as compact a board of strategy, as powerful a unit of community leadership, as any city has ever had.

There is still more in the answer. For thirty years capable social service executives have contributed guidance and intelligent planning to these cities, and their influence has been profound. They have added mightily to the creation of an intelligent generosity in their cities.

No city may expect to build the superstructure of great returns in voluntary gifts until the foundation is laid. Laying the foundation in these Ohio cities took many years. Only in the last six years has either come to the fore. Many other cities may some day match them and perhaps exceed them, if they will work hard enough and intelligently to build an equally good foundation. The lapse of time for others need not be as long as in Cleveland or Cincinnati, partly because we move faster now, and partly because they had to feel their way and stumble along while we have all gathered and sifted enough knowledge and experience by this time so that we may aim straight at the mark with reasonably well known processes. Neither need the foundation be built in exactly the same way; but it must

be of the same four materials: tradition, virile leadership, intelligent planning and ideals. The community which tries to raise large sums of money without such a foundation is breaking lances with destiny.

Collections and Investments

Along with the solicitation and pledging of money go the problems of collections and investiments. Dealing with thousands upon thousands of pledges payable monthly, quarterly, or annually, the federation has to establish a collection department. These departments are segregated into special divisions of the federation administration, or not, according to the size of the city. They present few unusual problems different from those confronting business houses that maintain many accounts. With some slight changes in method the same practices prevail that are found in any large collection system. One peculiarity revolves about the pledges of industrial workers. Wherever possible the factory or store employing these donors is prevailed upon to make the collections from the men when they receive their pay. Sometimes the pledge authorizes deduction from the wages of the donor. More often it does not. Sometimes committees of workmen within the factory act as collection committees. Sometimes the habit prevails of asking for and securing cash from industrial givers rather than taking pledges that must be collected. Whenever none of these policies is in vogue a considerable loss from such pledges occurs, due to the heavy labor turnover in industrial centers.

Generally speaking the mails are relied upon for collection of most of the money. Frequently as much as one-seventh of the total fund is paid in cash at the time of the campaign. Bills are sent quarterly for the

remainder. Occasionally a federation has resorted to collection agencies or to the courts for the collection of delinquent pledges. This method has met with universal disfavor; and it is generally agreed that more harm than good results from it. A number of the federations have a paid collector, attached to their own collection departments, who follows up delinquents and secures excellent results. The collection record of the various federations varies according to the skill employed. Some of them collect as high as 98 per cent of the total pledged; and a few as low as 90 per cent.

Most campaigns are conducted somewhat in advance of the beginning of the fiscal year in which the money is to be spent. Inasmuch as a good deal of money is paid in advance, and inasmuch as many givers pay in full, either on the first or second quarter, there is usually a favorable balance in the federation treasury for the first half of the year at least. This money is invested carefully in government securities that are quickly convertible and a handsome earning running into many thousands of dollars frequently appears in federation statements. There have been cases when the interest earnings more than offset the losses on collection. An earning power of two per cent of the total fund is an unusually good showing.

Central Purchasing

Federations have experimented in many places with central purchasing for the agencies. Coal, laundry supplies, equipment, linens, stationery, and many other things have been bought in quantities advantageously. Two obstacles to complete success have arisen. One is the objection of merchants and manufacturers who are heavy contributors to buying out of town; and the other

is the fact that many agencies through board members and friends are able to secure as favorable prices as a central buyer. If the supplies of hospitals and large institutions can be centralized a saving generally appears. Otherwise, the cost of the department is likely to consume all of the savings. Trade agreements, and price quotations secured for different staples and circulated among the agencies, result in favorable buying and a saving. Central purchasing has by no means demonstrated a capacity for universal success in the federation world.

CHAPTER XIII

ENLARGING SOCIAL WORK

While the coöperative movement has succeeded as a financial instrument, a greater test of its value lies in its influence on social work. If it has created more and better social work, and accomplished this more speedily and with greater ease than it would have been accomplished under the separate agency plan, it has demonstrated the greatest proof of its own effectiveness. If it has failed in this major test, after the years of effort that have gone into its upbuilding, it is not worth what it has cost. For social work is greater than its parts; and administrative machinery and money are but two of the parts necessary for carrying on social work.

Social work is the great communal insurance system rising out of the qualities of mercy and of love, guaranteeing to the weak and oppressed that they will be protected against the cruelties of the operation of the law of the survival of the economic fittest. Born of elemental justice, it is a great adjustor of the maladjusted individual in a complicated and exacting environment. It is an equalizer of opportunity and a stepladder for the underprivileged. Any method of organization or of administration that makes more difficult the burdens of brotherhood, or slows down the progressive growth of social work, is not worthy of the confidence of a public that daily shows more faith in the efficacy of philanthropy. Nay, any new scheme of organization

or administration that after a fair test cannot demonstrate more complete freedom, greater resources, and greater play and interplay of the methods of benevolence is open to question and suspicion.

How Federation Enlarges Old Agencies

An examination of the effect of coöperation upon social programs should be made from two approaches. First, has it made possible more work; and second, has better work resulted? Both of these are vital considerations; and much is to be said concerning both. This chapter will deal with the question of more social work resulting from financial federation. We have already covered the social work of councils of social agencies before they adopted central financing as part of their plan. The first inquiry then, is whether or not larger service for old agencies has been produced through federation. The evidence on this point is overwhelming. One has only to study any federation that has been five years in existence and note the growth of work that has come to the old agencies since the days before the federation was established as reflected in the budgets. A few illustrations from Detroit show the trend. In 1918 the Children's Aid Society, and an organization that it has since absorbed, spent together $94,500, of which approximately $40,000 was furnished by the Community Fund. Part of this total budget represented a deficit accumulated previously, which the Community Fund wiped out that year. In 1926, the same organization will spend $264,000, of which $130,000 will come from the Community Fund. In 1918 the St. Vincent de Paul Society Child Caring Department spent $69,000, of which $29,000 came from the Community Fund, once more an old deficit

being included. In 1926 the same organization will spend $225,000, of which $121,000 comes from the Community Fund. In 1918 the various Jewish charities that joined the Community Union had a total budget of $62,000, of which $55,000 came from the Community Fund; that figure also representing a deficit that was paid off by the Community Fund. In 1926 a budget of $224,000 was authorized for the same activities, of which $185,000 is to come from the Community Fund. In 1918 the Young Women's Christian Association had a total budget of $199,000, of which $39,000 came from the Community Fund. In 1926 the Association was given authority to spend $431,722, of which $134,375 was contributed from the Community Fund.

It will be said with truth that costs have risen since 1918; but the ratio of rise in costs is far less than the ratio of rise in the funds of the different agencies. A confirmation of these statements of growth comes from a perusal of the work statistics of the agencies:

	Cases 1921	Cases 1925
Care of Aged	233	264
Family Welfare	51,477	45,143
Care of Sick	68,743	101,644
Care of Children	8,289	15,545
Protective Work	9,508	18,586
Character Building	28,002	40,373
Recreation and Settlement	9,503	16,571
Americanization	.....	13,771

Gains are shown in all departments except that of family welfare which expanded in 1921 because of a business depression, and contracted in 1925 because of prosperity.

Old agencies not only have enlarged their forces to grapple with problems they were attacking prior to the

federation, but they have also found it easy to add new services and to grow in this way also.

In 1917 the Tau Beta Association of Detroit was conducting a very limited social settlement work in an eight-room residence in a Polish quarter of the community. Encouraged by the Community Fund the organization raised capital funds for a modern community center plant, the additional current operating costs being gladly assumed by the federation. Somewhat later a second building and more equipment was added, and again the additional costs were absorbed. The Tau Beta budget has been increased 300 per cent because of the development of a work that was useful and needed.

During the war the Young Women's Christian Association established a community center for factory girls, the current financing of which was eventually assumed by the Community Fund, and has been carried since. Later it introduced into the community on a generous scale its excellent work for immigrant women; and secured the equipment for a new community branch. The maintenance of these has been made possible by the resources of the Community Fund.

The Ford Republic, an institution for wayward boys, has added equipment that doubles its capacity, and the federation has assumed the extra cost of operation. The Tuberculosis Society, in 1924, planned and put into operation, with the encouragement of the Community Fund, a modern health center for demonstration purposes that doubled the society's budget. In 1926 it has been encouraged with additional appropriations to enter the field of heart disease and establish clinics, social service and convalescent care for cardiac patients. The Traveler's Aid work, previously carried by the Young

Women's Christian Association, has been reorganized into a separate institution with greatly enlarged services. Clinics have grown enormously under the friendly stimulus of the federation, not only expanding old services but adding new departments as well as neuro-psychiatric, diabetic and venereal.

A review of the 1925 Detroit budget shows that no fewer than eight new projects under the administration of old agencies were incorporated into it for the first time that year, and were to be financed by it. Eleven new departments were added to old agencies in the budgets of 1926. These years are by no means unusual in this respect.

The writer quotes Detroit because he is thoroughly familiar with the consistent development of that federation from its beginning. Growth in the work of old agencies is characteristic of alert federations in all parts of the country; and indicates that those organizations throwing in their lot with the movement have not failed to make a normal and sane expansion. Indeed it would be difficult not to imagine the expansion as more than normal, if normal is the rate of progress in those cities where federations do not yet exist.

Growth of New Agencies

While the old movements have prospered new pictures have come upon the screen of social work in each of our communities and new developments have swept the country. What has the influence of federation been upon the establishment of new work? In federated cities these new ventures have sometimes been lodged in old administrative units; and sometimes new agencies have been established, either on the initiative of independent groups, later to be assumed by the fed-

eration, or on the initiative of the federation itself. A negro welfare association of Cleveland and a negro organization in Cincinnati, created in 1918 and 1917 respectively, are illustrations of new agencies deliberately promoted by federations. Work for negroes was not adequately covered in those cities, and the federation thought it could not be managed as departments of old organizations as well as it could be independently. The League for the Handicapped originated by the Community Union in Detroit through one of its subcommittees, and later given to the Junior League to operate, is another example. It is the business of the federation to study the needs of its community, and to try to find ways and means of meeting those needs as rapidly as its resources will permit. The theory that one administration can carry a considerable volume of service more economically and more effectively than a multitude of smaller administrative units that are costly and uneven in the quality of service, will ordinarily determine that new work shall be placed in old agencies. But when some problem arises, such as that created by the negro migration to the North, that needs to stand out under the direction of a new group of people, the federation does not hesitate to promote and encourage a new administrative unit.

Protecting Initiative

Another factor enters into this second way of expanding work. From time to time in all federated cities new groups of people emerge desirous of participating in the social work of the community, and showing the same energy and initiative for promotion and upbuilding that marked the originators of the old agencies. The wise federation will welcome such

groups, trying to test their sincerity and their capacity, and to steer them into unoccupied fields. If they meet the tests satisfactorily it will knit them into the federation structure as new agencies. The Junior League in Detroit is an example of this kind of community development. The able young women comprising this organization decided that they would like to enter upon some active and tangible service. They came to the Community Union and asked for guidance. Just at that time the Community Union, on its own initiative, had brought into existence a work for the blind and the physically handicapped. After convincing itself of the earnestness of the members of the Junior League, it gave the full responsibility for this new work to them; and they undertook it with admirable skill, to the satisfaction of the federation, themselves, and the clients of the service.

The King's Daughters is another illustration. In 1919 this group came to the Community Union announcing that it would like to erect and manage a home for old people. A shortage of that type of service prevailed in the city at that time. In order to test the determination and capacity of the interested ladies, the federation informed them that they must secure their building, launch their project, and maintain it by themselves for a year. If they could do this successfully, the federation would finance them in the future. The organization met all the requirements, secured a building, supported it for a year, and was admitted into full membership at the expiration of that time.

These two incidents illustrate a process that is constant in federated cities. There is no intention of suppressing initiative for good works on the part of the citizens. There is an intention of directing that initia-

tive and energy and of proving that the impulse and the devotion actuating those who ask the federation for money is strong enough to overcome the obstacles that ambition has always had to overcome in order to win its way to victory. Otherwise the charge sometimes made against the federation, that it tends to encourage incompetent agencies, would be true, and the federation would be absorbing elements of community weakness rather than the elements of strength which are so vital to its success.

Findings of the Columbus Survey

W. Frank Persons, in his Report on Central Financing of Social Agencies made for the Columbus Advisory Council, has this to say upon this subject:

county for help and proposed a county school for the

"The account in earlier pages concerning such developments in Cleveland seems to indicate that, given leadership and a community of interest on the part of the progressive agencies, central financing may be a favorable factor to accomplish the better organization of social work, to avoid waste and duplication, and to increase efficiency. It will be remembered that there is the record, too, of considerable increase in new activities. Some were initiated by or with the assistance of the Welfare Federation. Some were formed on private initiative and were privately supported for one or more years after which they became members of the Federation. The Federation has not interrupted the formation of new agencies on private initiative, although it has without doubt been the means of guiding much of this private initiative into fields where initiative is needed and along lines of wise development."

In coöperation social work grows not alone by ex-

panding service of old agencies, and by creating new administrative units, but also through the economies that flow from interrelationships. By pooling common business services such as money-raising, or purchasing, or accounting, the time of workers is released from tasks they previously performed, and more hours are freed for the humanitarian labors which are the reason for an agency's existence. By integrating services in general use by all agencies more time is released and greater results secured from the same organization.

Speaking of this phase of development in Cincinnati, C. M. Bookman said in 1921: "The family welfare workers have become the agents of all social agencies. They follow up dismissed patients from Longview Asylum; they assist in placing handicapped workers; they report on children needing institutional care and needing placing out in boarding homes; they investigate cases for the Juvenile Court; they visit the homes of children reported undernourished by school authorities; in short, they are part and parcel of all social agencies, both public and private.

"The Associated Charities has become a true family-welfare society. Last year 80 per cent of its clients were purely social service cases needing not one cent of relief. Budgets were so adjusted as to permit of adequate relief in all relief cases. During the past five years the budget of the Associated Charities, for instance, has increased from $25,000 to $150,000."

Influence on Governmental Agencies

The coöperative process has an influence on governmental agencies that is not confined to any single city. Social work has always looked to government as one of

the great instruments for its carriage; but the effort of private agencies, especially in the large municipalities, to work in a harmonious relationship with government, has more often been lacking than present. Federations are compelled by the force of circumstances to see the whole picture of social administration as it is drawn in their communities, and to see the relation of the government to the private agencies more clearly than either see for themselves. Federations, popularizing social work and gathering into their support tens of thousands of people where only a few had been gathered before, swinging a mighty influence with the press and other organized spokesmen of the people, find government receptive to friendly proposals. The constant maintenance of high standards of enlightened practice in the modern Court of Domestic Relations in Cincinnati in the face of powerful spoils attacks upon it, has been only possible because of the support of the federation. The Recreation Council of Cleveland with the solid backing of the philanthropic forces made possible an additional tax levy for park purposes in that city, which like all other Ohio municipalities is notoriously niggardly in tax appropriations. When Detroit was visited in 1921 by the greatest unemployment disaster of its history the federation was of influence in helping the Department of Public Welfare to get giant appropriations for a tremendous expansion of its work that it might better cope with the situation.

For many years the social agencies of Detroit and the County of Wayne, in which it is situated, were faced with greatly restricted custodial facilities for the feeble-minded. When they were finally convinced that relief for this shortage would not be coming from the State of Michigan, friends of theirs turned to the

county for help and proposed a county school for the feeble-minded. A united front made easy the consummation of this project.

Greater Use by the Public

Expansion grows as a by-product out of another accomplishment of the coöperative method. The enormous acquaintance of the public with the agencies of social work that follows federation campaigns and year-round publicity, brings into the reception rooms of the agencies many cases that would otherwise suffer unknown to them, or would be the recipients of the unskilled bounty of private individuals. A federation popularizes organized social work, and speeds up the steady transfer of cases from the amateur to organized professionals. Givers in the factories look upon the federation as their own, and make no bones of asking service for their disabled fellow workmen. Protestant churches, remarkably self-conscious about their own little philanthropies, come in steadily increasing numbers to the agencies whose messages now ring from a growing number of pulpits.

When one sits at the center of this popularization for a period of years, and sees the backwash of it in increasing demands for old services, he wonders if this is not a sufficient answer to those who deplore the loss of personal touch with the separate agencies by their own contributors. Here has been one of the troublesome criticisms of federation: that those givers who formerly were supposed to have some contact with a separate agency lose this personal relationship when federation appears on the stage to come between the giver and his agency. What really happens is that a little handful of people are no longer solicited directly by letter or

personal call. When we remember that in Philadelphia there were only two agencies out of several hundred receiving donations from more than 3,000 people, that 77 per cent of all agencies had less than 500 givers, and that the average number of contributors per agency was 374, the full force of that phrase "a little handful of people" strikes us. And, of course, by no means all of these givers to agencies took any deep personal interest in the objects to which they donated. We know too much about the way gifts have always been secured, and the strange mixture of motives for giving, to believe otherwise.

Nevertheless, some personal interest has been lost to some agencies. Federations tried to meet this at first through the right of designation. But as the movement solidifies in a community, and is eventually accepted by the citizens, designation loses its interest to most people. There are one or two exceptional places where this may not be true; and there are occasions where designation is used as a protective measure for some worth-while movement whose inclusion subjects other agencies to some disadvantages. Designation of gifts will always be offered as a givers' right; but it is, on the whole, an unsatisfactory answer to loss of personal interest.

Experience gives this other answer, an answer that is a substitute of larger life and richer usefulness to the agency. Popularity, not of agencies, but of all organized social work, grows in a federated city. More and more people turn to the federation and the agencies of the federation for a multitude of services. For every intimate personal friend that each agency had before, ten people appear wanting something done, who will be converted into friend or critic of the agency accord-

ing to the quantity, quality, speed, and spirit of the service rendered. The federation, the separate agency, and the other agencies work with might and main to please these new clients because they know that a satisfied customer is a champion of their cause, and a dissatisfied customer is an infection spot for trouble for all concerned.

An agency entering a federation is like a boy graduating from college. Hitherto he has been dependent upon father and mother and the great love they bear him for his progress. Now he is thrown into the hurly-burly of life, to win or lose according to his capacity to change an indifferent public into an admiring and helpful support. He passes from the protective circle of a family into the maelstrom of life where merit is the great test. Federation turns organized social work over from the safe keeping of a few fostering relatives to the mercies of the great public. It is a mighty test that any agency worthy of the great calling of social work should be glad to welcome.

CHAPTER XIV

IMPROVING STANDARDS OF SOCIAL WORK

In the opening of the previous chapter we divided our discussion of the influence of coöperation upon social work into two parts—one, the enlargement of facilities, and the other, the improvement of the quality of social work. This second part is equally vital to the progress of the social movement in attaining its goal as an integral and essential factor in American life.

During the last decade of the nineteenth century and the first decade and a half of the twentieth century, social work experienced an enormous lateral expansion. The evils attending the rise of industrial society came out vividly in juxtaposition to the amazing prosperity that went with it. At the same moment a union of ethics and of science painted a second picture of the possibilities of preventing misery that had never been imagined by man before. A great emotional and intellectual ardor seized the American people which promptly became a crusade against the causes of human suffering. It generated a new inventiveness of its own in ways and means of attack; and of recruiting new squadrons and companies for assault all up and down the line. It also carried with it a new conception of effectiveness, a seriousness in examining methods in the light of their results, and an earnestness in reorganizing methods for better results. It was an organizing age; and an age in which the word "efficiency" attained almost a sacred connotation in the world of affairs.

Improvement of Standards Defined

Social work has coined a general phrase of its own for the description of its self-analysis and self-reformation namely, "the improvement of standards." Like most general phrases describing diffuse and varied practices, it has meant different things in different minds. To some it has meant the evolution of a set of technical methods applied to the treatment of any problem upon which the ablest technicians in that field agree as productive of the largest and best results. To others not so deeply concerned with methodology, it has meant a shift from a sentimental basis of work to a quasi-scientific basis; and a general improvement in the quality of work carried on. The first of these purposes must, of necessity, be accomplished through the thinking and day-by-day labors of the technical workers in each given field. Federation's part in this process is to encourage technical workers, to look with friendliness upon their efforts, to make available the increased cost their intensified mechanics require if they can prove them to be beneficial, and to work for a general adoption throughout the constituent agencies of such methods evolved by these technicians. The second meaning of the phrase, a shift from sentimentality, and an attendant improvement of the quality of work, comes as a partial outgrowth of this first line of action, and as a partial outgrowth of other processes quite different from it. The careful retention of true sentiment while we get rid of sentimentality is part of it. So is the placing of personality, native wisdom, and native capacity in places of leadership, the recruiting of a broader minded group of workers who must have

other qualities in addition to mere "call to service," and the encouragement of training for social work.

The avenues that lead into all results involved in both conceptions are many. They are also separated by divergent conceptions and different points of view. Hosts of workers in every field of work, with different approaches to the entire problem of social work, have trod these avenues. The creation of functional groups of agencies and workers engaged in a similar field of endeavor, such as children's agencies, or health agencies, or recreational agencies, is one approach. The wide use of the survey method is another. Combinations of small agencies dealing with the same thing into larger, better managed administrative units is a third. Coöperative centralization of administration by agencies at work in the same field that wish to retain their autonomy is a fourth. The establishment of training schools, and the evolution of teaching material, is yet another. The work of endorsement committees has played its part in this development; and the establishment and conduct of research bureaus, founded partly on the theory of the efficiency engineer, and partly on the theory of scientific research.

In observing the relation of coöperation to these things, one finds difficulty in making that clear-cut differentiation between various divisions of the coöperative movement such as the council of social agencies, confidential exchanges, endorsement committees and financial federations, that one is able to make in dealing with financial progress or the advance of public education in the acceptance of social work. All social workers of any prominence and leadership are agreed upon the desirability of the improvement of standards in their great field of endeavor. This is not true of

financial union, or the participation of the public in social work. Because all social workers are agreed upon the need for better standards, all have taken a fling at the effort toward standardization. So in this discussion many of the achievements that are reviewed may not be claimed exclusively for financial federations, but must be credited to the general coöperative spirit that has possessed the entire social movement, with aid and comfort from the federation in many instances.

Results of Functional Grouping

Perhaps the method for getting better standards that has attracted most attention is the organization of functional groups. It had an elaborate demonstration in St. Louis in the days before the financial federation there. The same scheme has been brought to an ambitious development in Cleveland and Cincinnati, and the new Welfare Council now being organized in New York is making it an integral and important part of its structure. These are but four of many cities that are using it to greater or lesser extent. The conception is one that may be tried whether there is a financial federation or not; but the recommendations of the groups, the correlations, the centralizations, the standard practices that it devises are more likely to become a part of the program of the constituent agencies if the cohesive strength of a financial federation is back of them.

Functional organization means that agencies working in a common field come together in a subfederation to study their field, to agree upon uniform methods, to arbitrate boundary lines, to spread the work into uncovered fields, and to lift the quality of work of all of the participant organizations. So family welfare socie-

ties may coördinate their programs and methods through a functional group of their own or child welfare agencies, or public health agencies, or recreational agencies, or correctional agencies. The Public Health Council of the Cincinnati federation, a number of years ago, printed a program of its activities with Divisional Councils on each of these definite subdivisions: 1. Tuberculosis. 2. Hospitals. 3. Mental Hygiene. 4. Social Hygiene. 5. Housing. 6. Recreation. 7. Medical Relief. 8. Waste. 9. Nursing. 10. Industrial Health 11. Child Hygiene.

First, all of the agencies appointed delegates to meet in a general committee of the Public Health Council; and these in turn divided themselves into the small groups just named in accordance with their intensive interests. A secretary, who in this instance is also executive of one of the separate agencies, takes the lead in formulating the program of the council. Through it more and better work for mental hygiene has resulted, more and better work for social hygiene, a vigorous enforcement of the housing laws, and a centralizing of nursing services. Many uniform practices have been agreed upon and adopted, which are said to have improved the quality of the work of the numerous agencies.

Cleveland differs from Cincinnati, in that it has fewer functional groups; but each is somewhat more comprehensive in scope, and each has a paid secretary who devotes himself to the united program worked out through the functional council. Cleveland has functional organizations in the fields of family welfare, recreation, public health and hospital work, and children's work.

The Hospital Council was originally an independent

coöperative, paying attention to centralized purchasing for hospitals, better standards of work, and common services. Later it became a subdepartment of the Welfare Federation, carrying on its old activities and absorbing the work of another functional division on public health.

The Children's Bureau, like the Hospital Council, carries on real administrative work in addition to the usual program planning. It investigates and reports on all children applying for admission to any of the institutions for dependent children. The best use of available space is made at those times when the institutions are crowded; and the social agencies save time by applying to one center when they need to place a child in an institution. A centralized medical clinic in connection with Lakeside Dispensary gives thorough physical examinations on admission to all children in the care of the Bureau, as well as aiding the institutions in a supplemental way in their various medical problems. In addition to such direct services, uniform record keeping is advocated, discussion of common problems is carried on in monthly meetings, and general promotions are guided as in other functional groups.

The policy of Cleveland in employing professional secretaries for the groups has not met with favor for general adoption in the country on two grounds. First, it is a costly process that creates an overhead of expense that the average city cannot afford. Obviously a secretary employed for such purposes must have a considerable degree of leadership, and be of large enough proportions to command the respect and loyalty of those whose work he is designed to influence. Such people are not secured for nothing, and the little federation or the federation without adequate revenues can-

not afford them. The Cincinnati scheme absorbs the overhead by making some superintendent of an existing agency the responsible secretary for the functional group. The second criticism leveled against the permanent secretary plan challenges it in a more fundamental way. It is said that any comprehensive program of improvement depending upon reasonably free and independent humans for its adoption and success can be pushed ahead but slowly and by piecemeal. In any given period of time only a limited amount of progress may be made. When this has been made, a rest must be taken, and the group marks time until energy and conviction are recuperated for the next infiltration. Consequently, after permanent functional departments have accomplished a certain amount of standardization, they must either become moribund, or in order to justify their continued existence must create new work for themselves, which is either highly experimental or which the community in justice to the more elemental work carried on by the constituent agencies is usually not ready to finance. In fact, it is said, whether with justification or not the writer cannot demonstrate, that money, which should flow into the budgets of the constituent agencies for their normal development is diverted into new enterprises and into the overhead costs that must go with functional organization if it is to make an adequate showing over a period of years.

A modified policy of the functional conception has been followed in many communities, the smaller ones in particular. Whenever it seems advisable to influence the standards, or to examine a field of work, or the processes of work in any natural division of the social service field, the agencies involved are asked to appoint temporary joint committees. These are, of course,

functional committees created in the same spirit and with the same thought that the more formal functional organizations are created. They pursue a special inquiry or a special discussion, and work upon special problems of technique until they have accomplished as much by this process as may be expected from it at the moment. They are then disbanded and a more productive field is organized, again on a temporary basis, to get such results as can be gotten from some other field. This scheme has the weakness of all opportunism, and of any plan that is not dependent upon the guidance of permanent specialists. It has the advantage of economy, and of laying emphasis upon the business that can be most readily accomplished at the time. It is more subject to control by the general policy and the general development of the federation.

For the functional organization much has been claimed. Stagnant agencies, out of date in their methods, or ingrowing in their conceptions, have been influenced to better methods and better points of view. A good deal of duplication has been eliminated; fields of work extended, and agencies protected in them by common consent; and more adequate programs adopted.

Results of Endorsement Method

Endorsement is another scheme for raising the standards that has already been discussed. Standards for business conduct of social agencies relating to accounting, banking, the care of funds, and of purchasing, have been influenced rather widely. No doubt, also, a few of the endorsement committees have had a little effect in raising the standards of social work of some social agencies. Otto W. Davis, a social

worker of wide experience, who gave much attention to endorsement work over a number of years, has this to say in regard to the effectiveness of the endorsement method:

"The method of making direct suggestions to an agency or group of agencies has probably been used most widely in connection with standards set up by business and commercial bodies as a basis for endorsement. For the most part, these standards have seldom gone beyond the commonly accepted practices of business men. An active board of managers, the keeping of accounts, an annual audit, and the prevention of new agencies where there would be obvious duplication are the points that have been stressed. Ofttimes one of the requirements listed called for the use of the Confidential Exchange. Practically not much was done to enforce such use, although calling attention to it did some good.

"Occasionally an endorsement committee tried to go farther and secure better standards of service on the part of certain agencies, but usually it did not take long for such committees to find themselves beyond their depth. As we look back at it, it does not seem strange that a small group composed of business and professional men should have faltered or failed when it came to passing upon the standards which should prevail in family relief work, in institutions for children, for the aged or the handicapped, in home-finding work, settlement activities, and other forms of social service. Those of us who make a practice of attending these conferences year after year find difficulty enough ourselves in knowing what the standards should be. . . . How far short the commercial association endorsement committee really fell even in securing

accurate accounting is clearly revealed when joint financing is undertaken."

Combining Agencies

A third method of raising standards and quality of work comes from the deliberate attempts of federations now and then to combine agencies that are clearly duplicative, or which, if not duplicating one another's work, are nevertheless performing a type of service that can be rendered better by a larger administrative unit than by several smaller units. Many such combinations have been worked out by federations. Detroit has the notable achievement of having combined into five major administrative groups some twenty-three smaller ones. The process of combination is a delicate one indeed, and seldom can be forced or concluded in a hurry. The average time necessary to accomplish the combinations in Detroit from the time the matter was first broached until it culminated has been three years. Exertion of pressure usually defeats the end sought. Patient coaxing, continuous explaining, taking it up and laying it down, and plodding steadily toward the desired end, are the only successful methods. Yet the result is worth the effort when one finally realizes in a community one great nursing association, with a trained personnel, a high devotion to the calling, an economic administration and an adequate network of service throughout the community. There are many places where family welfare work would profit by combination; where children's work would be better and more wisely done by the union of the various forces doing the same sort of work.

Analogous to the method of combination is a scheme of getting a number of small agencies, each working in

the same field, to unite in employing the same staff, occupying the same office and placing all administrative detail under the management of a single joint administrative committee, while the agencies maintain their own autonomy. The Servicemen's Central Bureau in Detroit is an example of this. Four servicemen's organizations and the local chapter of the Red Cross were all engaged separately in some kind of relief work or social service for dependent veterans following the war. Harmony was lacking, duplication existed, an inferior quality of work was being done. The Servicemen's Central Bureau which has now been functioning for four years, organized on the plan just described, has eliminated duplication, brought harmony into the agencies insofar as they deal with dependents, has proved economical, and has raised the quality of service by many degrees.

Surveys as a Method of Influencing Standards

The survey method of influencing standards has been used extensively in the federation field. Many surveys have been financed by federations, or by organizations allied with them. These range all the way from very modest enterprises to the elaborate and far-flung surveys of the Cleveland Foundation.

J. Howard T. Falk, Executive Secretary of the federation in Montreal, made an inquiry in 1924 of the extent to which the survey method had been used by federations in improving standards, and attempted to gage the success of the method. He found that it had been used in eighty per cent of the federated cities of 75,000 population or more, to which the inquiry was confined. Some of these cities had had surveys directed to a single agency. Most of

them had had specific groups of agencies surveyed, and a few of them the whole field of social work. The method met with practically unanimous approval, although there was a considerable body of opinion to the effect that surveys were frequently too ambitious, were sometimes ill timed, and quite often were of greater value as publicity material than as instruments for the improvement of the quality of work. In the large majority of cases the initiative for surveys had come from the federation, and particularly from the budget committee, a development not entirely unexpected, inasmuch as the budget committee more than any other department of a federation senses through its cost analyses and its contacts with the agency personnel the relative merits of the respective components of a federation.

Mr. Falk lays emphasis upon the need for tact and diplomacy, as well as for technical knowledge, in the persons who may make the survey. He says: "Training may make a social worker efficient, but no amount of training will make some social workers effective. In the same way I believe that it is a truism that highly paid experts may be brought in to make surveys, who will turn in technically efficient reports, but who, through lack of knowledge of local conditions, or through lack of tact and diplomacy while at work, will have accomplished little or nothing through their efforts."

He suggests that the best results follow when local workers are led by suggestion to do their own thinking and inquiring. Outside workers are most productive when they are brought to a community to direct surveys, but not to make them. They are very helpful as planners of studies and evaluators of results.

In his opinion, also, a survey for the reorganization of some agency is to be used only as a last resource when all other methods have failed.

"Even then the question arises whether it is not better to refuse to accept or keep the agency in question in federation than to insist on a superimposed survey; refusal to budget an agency in one city was entirely effective, and brought about the changes desired without subsequent ill feeling. The absence of councils of social agencies or welfare departments, properly organized into different subdivisions, in many cities where money-raising chests or federations are in operation, is probably the reason why only a few executives suggested or stated that the best way to handle an agency not up to standard was to refer the problem to the proper division of the council of social agencies for discussion and report. . . .

"From the opinions and information supplied to me I find that there is an increasing tendency to get away from the 'whole field' survey policy. A general survey has a tendency to create a panicky feeling in the community both among workers, subscribers, and the general public. The very magnitude of such an undertaking suggests cause for alarm, otherwise why so much fuss and expense? . . .

"To sum up the situation as I see it, the objective survey made on the initiative of an influence which wants to reform, and directed as if it were against a delinquent who has not felt the desire for reform, is wrong in principle and likely to be unsuccessful in fact. The survey, however, which is the spontaneous result of a continuous and conscious attempt on the part of the social agencies of a community to 'check up' and test themselves against known standards, is

desirable in every way. This desire to check up and test can be developed and fostered through a council of social agencies, or the welfare department of a federation. It will probably take longer to revamp an agency by this indirect method, but the educational value of it is lasting, and there will be little bad feeling created, which so commonly accompanies the big-stick method of the superimposed survey with the implied threat of starvation tactics if the agency refuses to be surveyed."

The comments on so-called "outside experts" need some qualifications in fairness to Mr. Falk. Federations recognize willingly the usefulness of experienced men in the employ of many of the national functional organizations, whose business it is to visit local units of the special type of social work the national association is designed to help. The intimate technical knowledge which these workers possess, their long experience in dealing with troublesome situations, and their general acceptance by workers in their own fields, make them of great value to the local communities desiring knowledge of the quality of service of their agency, or the extent to which the local agencies are using effectively the best accepted technical practices in any field of endeavor. Such specialists are being summoned more and more frequently by federations for conferences and satisfactory results are accruing.

Efficiency Is Personal

The most certain way immediately available of raising standards is to make sure of a high grade of social work personnel. Efficiency after all is personal. The best of methods may be installed in an agency, but if the people carrying on the routine processes of that

agency are out of sympathy with those methods, or not competent to get results from them, no results will follow. It is not too much to say that federation has had its most profound influence in raising the whole tone of social practice in local communities through its power to infuse new blood into boards of directors and into employed staffs. As the agencies come to have confidence in a federation, and to lean upon it for frequent consultations, they very naturally and easily acquire a habit of asking the federation to suggest new personnel when vacancies occur. New figures are constantly appearing in community life through the medium of the federation campaign. Persons who were entirely unknown heretofore, or whose interest in social work was unknown, are shaken into the public eye every year through the giant sieve of the campaign. An abundance of new ability is developed for places upon boards of directors or upon special committees; and in those communities where the agencies themselves are heavy participants in the campaign work, a habit has grown up of eagerly watching for these new figures, and filtering them gradually through the annual elections into places of influence and power among the voluntary directors. New points of view, new energies, new ambitions for better work are annually introduced.

When an agency has a vacancy in its executive staff it turns easily and naturally to the federation in which it has confidence for suggestions of replacements. This is not because the federation insists upon thrusting itself into the internal affairs of the agencies. Rather, the agencies are glad for a central place where they may find a friendly ear to listen to their perplexities, and a hand to help them. The alert federation with its eyes

on the strong and weak spots of its city, anxious to promote those workers whose service is exceptional; and with its eyes occasionally scanning the outside world for brains and skill that will strengthen any weak parts in the local personnel, will be ready with suggestions. None of the mechanical processes have had a more vitalizing and stimulating effect upon better methods in social work in federated communities than this personal service has had. If any city can get a uniformly high grade of talent in the executive chairs of its respective agencies, and as good as this only partly formed field can offer in the rank and file of its workers, it need not worry very much about the certainty that its quality of work will be better in each succeeding year. One of our temporary troubles is a dearth of the kind of workers we need. Some day the national agencies, the training schools, and the federations will unite in an effective recruiting campaign that should bag the material we are after in larger quantities.

A criticism that is sometimes lodged against the federation deserves attention here. It runs that when a federation removes a poorly managed agency from the field of competitive existence by assuring it continued support, it merely confirms it in its sloth; also, admittance to the federation perpetuates the life of agencies whose usefulness cease with changing times. If the federation itself is not alert this danger does exist, of course. Any great organization whose continuance comes to be taken for granted by a supporting public may cease to be pliable to change, or may become atrophied. So far, however, quite the reverse has happened in the federation world. The public is still skeptical enough concerning most of our social movements

to keep the federation managers uneasy about many of the agencies now receiving support. Combinations are demanded, and sometimes even eliminations. As one observes the results generally of federation influence upon weak agencies, or those of doubtful value, he comes to the conclusion that nothing in the field of social work has had such a profound influence upon the betterment of these organizations as has the federation.

Coöperation Not Solely Responsible for Standards

In the last analysis the problem of improving standards is not one for which the coöperative movement may be held responsible. To be sure it has a share of responsibility which it must not be permitted to shirk; but it has only a share, because federation is only a segment of the field of social work, and the responsibility must rest upon social work as a whole. There is a serious difficulty with this whole problem of standards that has not yet been solved, and cannot be solved by any single instrumentality or in any isolated locality. We have not worked out enough information along the lines of true scientific inquiry to give us adequate judgments of what is a good standard practice, and what is not. Here again is an elemental problem that the entire nation must attack in a coöperative undertaking. Presently social work will have to develop for itself a set of measurement norms not unlike those used in engineering and in promotional finance. This can be done, but it has to be done upon a far-flung comparative basis; in fact its essence is comparisons and averages.

Quantity Norms

We need first a set of quantity norms that will give us the numbers of individuals in any field of work

dealing with persons or families that a community may properly expect to be called upon to take care of within given units of population under given social conditions. These are simple questions of mathematical counts which, when conducted over a wide enough area, and over a long enough period of time, and with thoroughly mastered qualifications, will establish a law of averages. The qualifications growing out of time and place and condition will have to be standardized; but this is possible also, given a series of studies on a comprehensive scale, and over a continuous period of years. These norms would serve the same general purpose that mortality and morbidity rates serve in the field of public health. They are more difficult to establish because the factor of sentiment is dominant in our present inadequate guesses at the size of social problems, as it is not in a count of deaths and sicknesses from any given disease. Sentiment must be mastered in social diagnosis, and relegated to the place where it is useful, namely social treatment. Here and there we hear of some of these quantity norms being suggested definitely, especially in the field of health service. So far they are suggestive only of something better to come, for the simple reason that the suggestions are not based on data collected with a wide enough scope.

Coöperation, the only instrument big enough to accomplish the job, with the exception of government, is now embarking upon a quest for these quantity norms. Detroit for a series of years has been accumulating the data for its own community through a research bureau that keeps a constant flow of statistics coming from the constituent agencies of the Community Union. Other communities have made a similar beginning; and these local forces are now fusing

within the American Association for Community Organization for the necessary compilations on a scale sufficiently large to arrive at reasonable comparisons, necessary qualifying data, and ultimate averages. Obviously the elemental data cannot be collected and correlated over night. A number of years must elapse before any satisfactory findings may be ventured. Moreover the first conclusions will have to be altered in the light of new knowledge and experience for continuing accuracy.

Nevertheless, the wheels are beginning to grind, and presently results will be seen. Such a set of quantity norms will give social work, for the first time, one leg of the triangle of an adequate base, even if it is a rough and ready leg at the start, upon which to begin to rear its financial claims in its communities. With such knowledge back of it, it will be able to be more useful also on the negative side of standard practices, namely the control of guerrilla incursions into already fully occupied fields by well-meaning but unthinking people.

Numerical Service Facility Forms

Next a set of norms must be created determining the numerical service facilities that each community needs to provide in order to handle well the sum of the problems demonstrated by the previously outlined set of norms. These are in part simple calculations of institutional requirements, based upon the disclosures of the first set of norms; and in part efficiency calculations of workers needed to perform various tasks. The quantity of work to be done, plus an accurate knowledge of the work motions needed to perform each of the variegated fragments the work-processes are divided into, plus the time necessary to perform these

work motions, are the bases from which such information emerges.

In some lines of work calculations of this sort have already been made upon a rough basis. The appraisal forms issued by the American Public Health Association set forth useful schedules covering some requirements in health fields. Calculations of a sort have also been made in case-working fields of case loads for workers, pointing in this same direction. The trouble with the estimates already made is that they are the product of only a few people, and are founded not only on fragmentary data in the limits of the basic inquiries, but also upon a too limited breadth of inquiry to assure accuracy. They must be held as important and incomplete experiments, more indicative of direction than of final destination. Nevertheless they prove that such a set of facility norms is possible in the future. Through the influence of the coöperative movement in conjunction with national agencies they will presently emerge. For the first time in American social work a force of cohesion has been introduced that is strong enough to secure simultaneously from all parts of the country a sustained flow of accurate statistical data to accomplish this end.

Evaluating Results of Work

To complete the information that will give us a scientific base, a third set of norms is needed that will determine where the law of diminishing returns begins to operate in the application of any standard method. There can be no question that this law does operate in all fields of work; and unfortunately no one in any of the various fields of benevolent activities is showing interest in it at present. Without determining factors

available we are not able to guess at the line of demarcation between productivity and non-productivity of effort; and our tendencies are to shove every technical process into the realm of unproductivity. The federation has been as guilty of this tendency as any other part of the social service structure. The extreme development of functional organizations with a heavy overhead, and the necessity for making ourselves busy on routine motions that take the spirit out of work, and cease to give an adequate return for the investment of time, energy and money, illustrate the point. All of us have the instincts of artists. None of us are content with a sloppy job, or even a good job. We want to be doing our work better and better; and we keep on refining the motions by which we work, seeking always the dreamed of masterpiece of achievement. This is human nature and social workers are intensely human. Is it not probable that some of the technical processes of social work have already been developed to a point where the law of diminishing returns begins to operate, and the results in social values are of lessening proportions? In the field of family welfare are we justified in insisting that all of our elaborate machinery should be turned upon every case that applies? Possibly the public senses what we, with our eyes glued to our task, do not sense, namely that there are very well defined classes flowing through our relief machinery, some of whom need only slight attention to recover their balance, some of whom need a great deal of attention, and upon some of whom every effort that we make except to keep them alive in elemental comfort is completely wasted. In the field of child welfare, are we quite sure that all of the many processes through which we put our little charges are productive for all

of them? And in the field of public health is not possibly our insistence on health prevention leading us into the blanket application of theories which call for discriminating application in the interests of economy?

The law of diminishing returns certainly begins to operate at some point in these fields, and in all others. When that point arrives in any field the federation should know it. It should know it because there are many places where the point of diminishing returns has not been even approximated yet, and into which, funds now poured in elaborating unproductive processes should be turned. But no one knows where these points now are; and, again the coöperative movement is the instrument through which the discovery must be made, because the American Association for Community Organization in coöperation with the national associations of functional agencies is the only instrument that has the strength to gather data on a wide enough and deep enough scale to arrive at laws of averages. Furthermore the federations, having detached vision and being sensitively alert to the public's requirements, are the group which must start the questioning of accepted dogma that is acclaimed to be in the interests of better work. This third set of norms is admittedly the hardest one to create because it requires an actual mathematical evaluation of the results of work motions when applied to human physiology and human character, a most difficult thing to do in any field where the emotional and the spiritual walk side by side with the material things of life.

Undoubtedly the federation has had a profound influence in the field of standardization. Better work has come about through the multitude of mechanisms already described; human suffering has lessened be-

cause of its power to influence organizations to do better work, to stimulate social workers into a deeper and wiser conception of their professional responsibilities, and to convince the public that these are vital and necessary services for the community. We are only in the beginning of an influence upon social work that will be as profound in the creation of a scientific background as the influence of the last generation was profound in the creation of a popular will to establish the system and the mechanism for the alleviation of human misery, and an approach to social justice.

CHAPTER XV

PUBLIC EDUCATION

At the outset the modern federation was compelled to recognize, not only the value of educational publicity for social work, but the necessity for it as well, if the coöperative movement was to survive. The federation picked up the task of securing funds and popular support for social work at a point where the separate agency method of administration left off. This point was low in comparison to what ought to exist. The number of givers was few. The amount of money that was contributed by old givers was not commensurate with what they could be taught to give. Public acceptance of the principles of organized social work was grudgingly given. Federation, promising as it did an expansion of giving, an increase of gifts, and a growth of good will, was forced at once to a consideration of educational methods as a major means of making good these promises.

The first Cleveland federation, very fortunately for the movement, secured as its secretary Whiting Williams, a man with an acute sense of publicity values, a conviction in the efficacy of education that amounted almost to devotion, and a peculiar sensitiveness to trends of public opinion. Mr. Williams's emphasis upon the essential educational processes of the federation movement made a profound influence upon it, and was an extremely valuable contribution. No other single contribution could have been made to federation prac-

tice at that moment that would have done more toward assuring success.

Unusual Difficulties

Yet, in spite of a general acceptance of the necessity for public education, the coöperative movement found that the development of an effective methodology was beset with unusual difficulties. Social work had been both too poverty stricken and too deeply absorbed with other matters to make progress enough in this direction. To be sure it had secured for its activities an amount of news space that was by no means meager, and it had carried on other educational enterprises. Here and there was an executive, or a president, or a board member who had the gift of salesmanship; and his activities spread over a long enough period made many useful friends for his organization. Here and there also was an officer possessing a sense of news values, or with a gift for platform presentation, who spread favorable knowledge of parts of social work. Every now and then some isolated effort such as a campaign for funds, or for legislation, or for the reduction of a death rate, a survey, a set of exhibits, a conference, or an annual meeting, advanced the friendly feeling of some of the public for social work. On the whole the total movement had made remarkable gains when one reviews these spasmodic efforts. But there had never been the abundance of thought, planning, and concentrated work, that must go into a major sustained activity. As we have already seen the separate agency's power of planting a feeling of friendship strong enough to produce financial support was extremely limited at the time when the federation came upon the stage.

Publicity World Indifferent

Added to the paucity of effort, and the lack of organization was a second difficulty. The publicity world itself, newspaper men, advertising men, the pulpit, the theater and other instruments for influencing public opinion, had been rather indifferent in the main to organized social work, and not infrequently contemptuous of parts of it. The work had plenty of scattered friends in these groups; but the general average attitude was unsympathetic. Although social work is rich in news materials as they are valued by the news-spreading world, it was only occasionally that a social worker appeared who had a sense of news values. The material usually brought into the news markets from social agencies was only incidentally useful in terms of editorial maxims. More than this, many social organizations and social workers were defiant of news traditions, and scornfully unwilling to adapt themselves to the conceptions that a publicity partisan holds dear. It was partly a question of ethics, partly one of modesty, and partly one of aloof dignity. Modesty must sometimes be put aside; but neither ethics nor dignity need be. Social work has not always known this.

Here, then, was the inheritance that the federation received, and which it was expected to use in fabricating a program of public education and a methodology for its utilization. Federation got from the business men who shared in its origin another inheritance that added still one more obstacle. The contributors who helped create federation laid a heavy emphasis upon the economy of its own operation, making it necessary to exercise great caution in expenditures for all admin-

istrative purposes until the utility of the things purchased had been demonstrated. The movement found itself without much guidance from old line social work in building up this department of its endeavor; and it was able to take only limited methods from the business world because of the costliness of those in vogue there and the demand for economy in the new enterprise.

It is not to be wondered at therefore that, while the importance of a major program of sustained education has been conceded from the beginning of the coöperative movement, the growth of methods has been slow; and measured by accomplishments it is far from satisfactory yet. Whatever has come to pass in this department of work has resulted from the trial and error process, and the fragments of a program that have appeared have been hammered out on the anvil of experience. Federations have learned to use many of the media of publicity, although they have by no means learned to use them to their fullest capacity; and they have much more to learn.

Campaign Is Major Effort in Publicity

There can be no doubt that the campaign itself has been the major effort in education from the time the campaign method of raising money was adopted by the coöperative movement up to the present. Everyone agrees that a campaign cannot succeed unless it manages to impress itself upon the public mind in a commanding way. So no questions are raised about adequate expenditures for publicity during a campaign. Newspaper advertising, the costliness of which gives rise to criticism at other times, is taken as a matter of course at campaign season. While some volunteers are

devoting themselves to solicitation in the knowledge that the work is brief, and will be finished at a definite time, other volunteers are willing to devote themselves to writing, drawing and painting, speaking, acting and many other things, all of which taken together marshal for use in a concentrated period an array of educational talent and instruments that creates an almost irresistible force. Every solicitor also is a bearer of tales, tales of social work's achievements, that penetrate thousands of minds. Altogether a mighty power is loosed once a year for a period of six weeks or a month that synchronizes all the media of education in a tremendous dramatic effort.

This annual campaign has made a contribution of great value to social education. It has something of the effect of a revival, and something of the same weakness. It is sustained for a short time only, at the conclusion of which its powerful machinery disappears for a year. It is tuned to the one end, raising a specified sum of money, and all of its parts are pointed in that direction. It is conceived in the spirit of momentary spectacular upheaval, and not in the spirit of day-in and day-out routine.

Handicaps to Everyday Education

The educational processes of the remaining eleven months are of greater importance to social work. Here the handicaps coöoperation inherited have full sway. How to overcome these, and to get in motion and keep in motion a synthetic educational program of real power, has been the great perplexing problem. This problem must be analyzed in its different parts before much progress may be made. One analysis is to separate social work into its major selling divisions, and

from this to try to determine the most useful ways of going about selling each. Social work, then, may be divided into three major divisions for the purpose of general salesmanship: the salvage division; the constructive division; and the preventive division. By salvage we mean elemental relief from distress. By constructive we mean the upbuilding of individuals, groups of individuals, and of communities, so that action overcomes inertia, wholesomeness replaces degeneracy, a sickness gives way to health, pauperism to self dependency, and delinquency to morality. By prevention we mean some method that reduces the incidence of disease, death, delinquency, mental deficiency, insanity, pauperism, poverty or ignorance.

Selling the Salvage Division

To sell the salvage division broadcast to the public is simple enough. That is merely a matter of impact. We have an instinct for helpfulness. Our family life, our church, our fraternal organization, our noon-day club, our insurance system, our literature, our drama, our press, all conspire for a development of helpfulness. We have a powerful hangover from the old religious conception that helping others by the salvage process wins rewards for ourselves. We may not believe that helpfulness buys an extra good seat in the theater of Heaven; but we believe universally that we get inward satisfactions from it that are beyond price. A vast majority of men and women secretly respect and admire the saintly person who abnegates self and goes about meekly radiant, doing good to the poor, the sick, and the distressed. They are more than glad to chip in a little to the fund of the saint, and shine in a little reflected glory.

If the whole problem of public education revolved about the salvage features of social work, all that would be necessary would be to advertise the saints. The trick would be done. We could pass the hat as we advertised, and support an army of saints from the proceeds. As a matter of fact the federation movement in the beginning did something akin to this. It sensed the fact that charity, a word that has become so distasteful to social work groping toward professional dignity, is still held in high esteem by the public. It took elemental charity out of the cell where social work had carefully locked it, displayed it again to the public, and lo the public responded. And in spite of criticisms to the contrary, the federation was justified in this. For the backbone of Christian and Jewish charity is relief; relief from hunger; relief from sickness; relief from inhibitions; relief from injustice; relief from oppression. The popularity of Red Cross disaster relief in San Francisco and in Tokio, and of Herbert Hoover's feeding of Europe, does not rise from any constructive service that may have attended these enterprises; but because the spectacular call for relief tuned instantly into the depths of age-old maternal, paternal and neighborly instincts to answer the cry for help from those who are in distress. The parable of the Good Samaritan is the most popular story in western civilization. Social work is unwise indeed in its scornful attitude toward relief. No one can tell what proportion the volume of indoor and outdoor relief bears to the total volume of philanthropic work; but when we interpret it in terms of service and time, as well as in terms of materials, it is certainly a large proportion. We need not be ashamed of this. Rather we may thank God that we are trusted by our fellow

citizens to act as agents of mercy for them in this elemental service, which to them is almost a sacred service, while at the same time we plan and execute the constructive and preventive things that attract our professional minds. One of the great contributions to social education that federation has made is the realignment of social work with relief in the public mind and a consequent rapprochement between the public and social work. This contribution has been attacked from inside the ranks of social work. Sob stories are used too much, it is said. Well, sob stories can't be used too much so long as they are the absolute truth, and not trumped up for emotional carousals. The press and the platform are always ready for them; and inasmuch as the job of philanthropy is humanity's job, why not let humanity have some of the stuff it really likes?

To educate the people then on social work's salvage division is easy. The problem is merely one of methods, which will be reviewed later in this chapter. To sell the constructive program or its parts is very difficult indeed. While the people believe in charity they have seen so many schemes of organized helpfulness rise and fall, and they have come so frequently in contact with what to them has been an unproductive, involved system, and a cold blooded unresponsive attitude on the part of workers, that the great masses have been frankly out of sympathy with constructive social work. Many people of influence have felt the same way. The charges of excessive overhead and red tape in organized charity; of no service that is not paid for by the Christian Associations; of nurses governed by trades union rules; of settlement workers who live inside their walls, and know nothing of human suffering next

door, are all old charges, widespread in their circulation.

Constructive Work Presents Educational Obstacles

The theory of constructive work is that a skilled person injected into a problem of misery may reorganize the forces of a life, or of a situation, where failure has previously been scored, or where it threatens. Trained brains are necessary, which may be acquired only through the hardest kind of apprenticeship or schooling. In a world where everyone is an amateur charity worker, and where the greatest virtue of charity work is self-sacrifice, the need for training and professionalism is not readily conceded. In a world where success is a fetish, and where failure is not recognized, the need for constructive work is not easily granted. The acceptance of relief in the popular program is based upon a knowledge that life is a game, and that any game has plenty of opportunities for misfortune. War, pestilence, famine, widowhood, orphanage, and the acts of nature may at any moment project the most fortunate into the sloughs of misfortune. A friendly hand to pull a person along for a way and misfortune is mastered. Success is once more in sight, and there has been no concession to the demon failure. But constructive work openly recognizes human failure and the threat of failure, and resolutely sets itself, by intricate, painstaking, long-drawn-out processes, to thwart it. Constructive work is not meek, nor is it self-abnegating. It is a high grade bit of artisanship, and claims to have a scientific basis. This is not automatically conceded by the masses of the people.

Social work, conscious that much of the public holds its tongue in its cheek when constructive work is under

discussion, and never having schooled itself in the principles of public education, has been inclined to undertake the selling of its constructive program by expounding the theory back of it, and the mechanism in use for accomplishing it. Generally speaking, this is exactly the wrong way to go about it. The public is seldomed interested in a conscious exposition of a theory; and each of its members has all he can do in mastering the mechanics of his own work. The public is convinced more readily and more permanently by an attractive presentation of results. If we can achieve a belief in our project, a faith in its efficacy, we have accomplished the fundamental aim of public education. Faith, acceptance, belief, is the factor from which most of our actions spring. And we acquire faith more frequently through confidence in a person, through a presentation of results, than through an intellectual exposition of theory, or of ways and means. As a matter of fact we don't have to expound either the theory or the ways and means.

Federation, leaning as it has on advertising men, newspaper men, and other publicists for its teachings in education, rather than upon social workers, has learned this lesson too. It does not try to explain what insulin is, or how it is administered, or its chemical actions in the human system. It merely announces the results that have been secured by using insulin in diabetic clinics, and keeps on talking about those results. Neither does it tell the processes by which an orthopedic surgeon straightens a twisted limb. It shows a picture before the treatment, and another after the treatment, and creates faith in its orthopedic clinic through results secured.

The educational problem of prevention is much

more like the problem of relief than of construction. The public accepts prevention much better than it does construction. In fact it has such a simple faith in it, due to the accumulating achievements of science, that it is very easily victimized. Millions believe that medical science, which has whipped yellow fever and smallpox, can eventually whip almost any disease. Our faith in education is so profound that millions of people who are essentially good and productive believe that proper educational work with the raw material of childhood can make almost anyone good and productive. It is only when prevention gets in our way with some of its doctrines, such as socialized medicine, or our right to pay less than a living wage, or the right of the government to regulate child labor, that it encounters great difficulties. Unfortunately it does get in the way of many of us, so that while its educational problem is frequently not unlike that of relief, namely projection and impact, it also frequently takes on problems peculiar to itself, that are more analogous to the battlefield than any other aspect of social work.

What Is the Market?

While federation has been analyzing its educational problem along these lines, the goods it has to sell, it has also been analyzing it along another line, the market for its goods; or to state the same thing differently, the audiences for its messages. Unlike the separate agencies, federation must imprint the fact of its existence, the usefulness of its service, and the impossibility of doing without its work upon the mind of every man, woman and child in its community. No less than this is success. In the early days of its existence it broadcast its consolidated message to its entire audience,

not taking into consideration that the great public after all is not one audience, but a union of a multitude of separate audiences; and that the things which will arrest the attention and penetrate the minds of men and women are as varied as the audiences. So too are the ways and means of penetration. It is to be expected that Americans are more interested in so-called Americanization than are Russian immigrants. On the other hand Russian immigrants are more interested in learning to speak English; in meeting Americans on a social plane of friendly equality; in learning how to avoid the labor padrone and the gold brick artist; in the staging of Russian dances and Russian concerts; and in the relief of fellow *emigrés*. It is to be expected that a Mason will be deeply concerned over the welfare of a Protestant children's home, while a Catholic or a Jew, showing polite interest in such institutions, will pay an earnest attention to a Catholic or Jewish orphanage. It is to be expected that the Rotarian, who thinks in terms of balance sheets, of costs, and of economics, will be more concerned over the business system of philanthropy, than the wage earner who does not think in such terms. It is to be expected that the art association will be interested in art classes, costume parties, and music settlements; the scientific society in the science of prevention; the pastors' union in the character-building agency; and the dentist in the dental clinic.

Value of the Written Word

All of these and many other groups are audiences, and the federation has been compelled to differentiate between them, pick its message and its medium of expression for each, and find the easy and natural en-

trance into the councils of each. The written word is of course the easiest medium to use and possibly it reaches wider circles in a shorter time than any other medium. Of all the instruments that spread the written word the press is by far the greatest. Great reliance therefore has been placed upon an extensive use of the newspaper. Programs, pictures, news stories, human interest stories and special articles have been prepared in great quantities and distributed extensively. The federation learned early how to approach the press in a way that broke down the old contempt and the old antagonisms, and made for the most friendly relations. Newspapers have a conviction that their function in society is vital; and they have a high sense of obligation toward spreading the message and the gospel of any enterprise which in their judgment is of advantage to the people. We are sometimes inclined to be impatient with them for their blatancy and shallowness; but no one may honestly challenge the sincerity and earnest belief of the press in its own high calling. When once the press is convinced that the community organization of social work, and its component parts, are carrying on a vital service in a humane, effective and economic way, its support is whole-hearted and without reserve. Like any instrument keyed into the minds of the masses of humanity it likes the salvage and preventive story better than the constructive. The federation secured the friendship of the press early; and it learned almost as soon as it had done so that the press, while the most effective medium that exists for reaching the great audiences of the public in a wholesale fashion, is still a limited medium. Every federation office in the country found through its clipping service that a large volume of stories was being

printed constantly; but when it leaned back to congratulate itself upon its achievements, it suffered a rude awakening as one after another of its friends came to it stating that no news had appeared concerning it or its agencies. The lesson was learned that the tremendous quantity of news appearing daily in American newspapers is not consumed in bulk by any of their readers. Most people have no time to do more than scan the paper, watch the advertising for the thing they want, read a few of the stories that attract them most, dip into a few others, skim an occasional page to see if they are missing anything, and then turn to that feature department of the paper which serves as their relaxation and amusement. A mass of stories buried in the daily press week after week and month after month has its influence. Names that are treated again and again take on associations with one movement and another. Sometimes one story out of a hundred makes a deep enough impression on the memory to be retained. But the bulk of press material is shot through a scatter gun, and without doubt some of it hits no mark. While we may not belittle the tremendous service that the newspapers of America are rendering to the cause of social work, we may well realize that the federation, leaning exclusively upon the press for its educational program, will have only a portion of a program; and one which misses as frequently as it hits.

So the house organ has come into existence to supplement the press in the use of the written word, and is now a standard medium of federation education. Obviously the expense of a house organ to a federation with tens of thousands of givers is too great to be distributed broadcast to all of these givers at regular monthly intervals, the usual time of issuing such maga-

zines. Most federations, therefore, have centered their attention upon the large givers so far as the house organ is concerned. More and more these magazines have been designed with the dignity and conservative consciousness that the man in the office and the matron in the comfortable home make up their reading public. They bear in mind, just as the press service bears in mind, that the salvage corps, that underlying elemental department of social work, is the most convincing argument for its existence; but they also bear in mind that this particular audience is intellectual enough for the discussion of the constructive painstaking processes. Items relating to the business administration of social work, the financial results of the federation, the principles and philosophy involved in the work of the social organizations, are interspersed with the elements of human interest.

The great audiences of industrial workers and of clerks must be reached by ways that are not too costly; and the monthly factory poster has been devised for them. It is shaped to fit upon the factory bulletin boards, telling one story, and only one story at a time, of some phase of the work generously interspersed with pictures. Recognizing that this audience is inclined to be more emotional, and not so much concerned with business principles and technical methods, these posters dwell almost exclusively upon the human values that flow from social work; and invite the readers to a more extensive use of social institutions.

The printed word is made to stretch through the complete circle of a federation's givers by adding to these several media miniature leaflets, copied somewhat after the factory posters, which are sent out with its bills at its collection periods; the advertising at cam-

paign times; and occasional pamphlets dealing with some special topic.

Use of the Spoken Word

The printed word is only one of the tools that the skillful publicist will use in making the world aware of his existence. Some people receive impressions through the optical nerve more readily than through other nerve centers; and some people receive impressions through the auditory nerve much better than through the eyes. So the spoken word is also used extensively. Social work prior to the organization of the federation used the spoken word more generally than other means of publicity. It has the virtue of economy; and for that reason social work has developed a good deal of skill in arranging meetings for the presentation of its subject matter, and penetrating into church audiences and similar meetings for the same end. The early council of social agencies adopted the plan of the speakers' bureau, wherein persons at work in, or interested in the different agencies, who can and will make addresses upon stated subjects before audiences when called upon are listed in a bulletin that is circulated occasionally. The federation took this idea and has developed it somewhat. The list of speakers and their subjects are placed in the hands of Sunday schools, ministers, women's clubs, noon-day clubs, fraternal organizations, parent teachers associations, and other groups that furnish ready-made audiences. Those in need of a speaker are directed to call the central office, which will arrange to send a speaker to address them upon subjects that are attractive to them. Some refinements have been worked out in one place and another, such as arranging for debates and scheduling lectures in series.

This use of the spoken word has been effective after a fashion. It has its limitations because the average social executive or social worker is not a skilled lecturer, orator, or elocutionist; and because many audiences are almost professional listeners, who receive the messages with a somewhat *blasé* attitude. The lecture bureaus have discovered that the few speakers who have the gift of stimulating and arousing audiences are overworked; and many who are only indifferently successful as public speakers have a diminishing number of calls. This situation has been met in some of the larger centers by paying for one or two persons who have an unusual knack of presentation; whose time can be commanded more frequently than those who are making speaking only an incident to other work; and booking them deliberately with as many audiences as it is possible to reach. In smaller communities, where ready-made audiences are limited, and talent is at a premium, speaking programs have generally been confined to stated periods of the year when they will be most effective for campaign purposes.

Federations recently are discovering that it is advantageous not only to use the ready-made audiences but occasionally to create audiences of their own. So the mid-year annual dinner has come into vogue, being held about six months after the campaign, when the friends of the federation come together, and spend an evening reviewing the work of the agencies and renewing friendships. City conferences of social work have also been held. Two or three days are devoted to addresses and discussions on social problems. Institutes for social work have been arranged in many places which bring some prominent out-of-town social worker into a community to deliver a series of addresses on social

problems followed by general discussions. A valuable tendency is developing nowadays to work upon a regular time schedule that will produce meetings of major importance at set intervals. The campaign, for instance, takes care of itself as a publicity program both in the press and in the rostrum. The mid-year annual meeting restimulates attention in the middle of the year. The city conference of social work about three months later focuses the public mind once more upon social enterprises. Other standardized occasions in between these are gradually cutting down the intervals between meetings.

Speaking, when well done, has a by-product of publicity in the press. It is of news value and furnishes an occasion for newspaper presentation that is simple and natural.

More recently the radio has offered itself as an additional means for using the spoken word. It is still new and experimental in all of its programs. Social work is doing its share of experimentation with the radio. One city has created a character surrounded with mystery, who is known as Ben Adhem named after Leigh Hunt's famous character, who is supposed to go about the town doing good. At intervals of a month this mysterious person talks to the people over the radio telling them of his experiences.

Federations again have been analyzing the audiences that they have reached with the spoken word. Most of them find that they have penetrated churches, women's clubs, noon-day clubs, and parent-teachers' associations reasonably well; but that they have not yet secured a satisfactory entrance into lodges, fraternal and labor associations. They have been locating speakers who

are popular with these audiences and enlisting their support for the presentation of the subjects of social work. There is much to be done in this field, and in other efforts to enhance the values of speaking programs. One of the things which needs to be done, and which will have the greatest effect, is a deliberate cultivation of the art of public speaking by social executives. Every executive in the last analysis is an educator as well as the administrator of a piece of work. Pulpits, which furnish one of the most advantageous rostrums for the dissemination of the social gospel, and reach on the whole as far flung an audience as there is available, are properly jealous of the quality of speaking that they will tolerate. Until social work deliberately sets out to cultivate for itself the art of public address, and to give a greater variety to its speaking appeal, the pulpit, the noon-day club, and the larger audiences which are held together in part at least, because they are protected from poor speaking, will yield only grudgingly an opportunity for full presentation of the message that the federation and its allied agencies have to present.

Before leaving the spoken word, it is well to note that gossip is the most effective means of publicity yet devised. The federation which is thinking in terms of spreading its message, will be constantly enlisting upon its boards of directors, and in its volunteer corps, groups and individuals who daily and nightly, on the golf links, in the clubs, across the dinner table, and in the living room, will find it easy and natural to tell of their interest in various parts of the social program. When new groups of influential people are given specific jobs in a federated city to manage, thus creating a new interest

in those groups, the federation has accomplished more in the way of publicity than any other thing that it can do.

Graphic Arts

Graphic arts have been developed rather extensively by the federation. Poster contests in the schools, a ready camera to get pictures for the press and for stereopticon slides, an extensive use of stereopticons, occasional window displays, and a thousand other devices of the artist have enhanced the value of the great message-transmitting devices.

Dramatic art is just beginning to be used. Pageants have been in vogue for some time, and an occasional play has accidentally adapted itself to the purposes of social work. Now a conscientious effort is being made to produce plays that, without destroying the effective development of a dramatic climax, which in essence is emotional conflict, will convey in a subtle fashion the message of social work. This field is almost virgin territory, and much can be done that will be of wide-reaching influence. When one thinks of the historic growth of the institution of the Church, and realizes the place that art, and song, and particularly dramatic art, has played in creating the religious tradition, one realizes what a marvelous instrument is in the hands of social workers for their development and for their use in the spread and perpetuation of the tradition of their service.

The moving picture has been used to some extent by federations. Its effect, however, in view of its present traditions and its costliness, is questionable. That the movie might be adapted to the propagation of the social program goes without saying; but the movies so

far produced by federations have not accomplished very much. Social work has to learn that art has its own rules, its own aims and its own ways of holding and gripping human attention. Whenever these rules and aims and ways are twisted for pure propaganda purposes they cease to be art and are effective only as shoddy bits of propaganda. Some day social work will find some artists sufficiently inspired to interpret social work in terms of art. That work will be effective, and will be of enormous value as educational material. That day has not yet arrived.

Curing Negative Propaganda

One of the most useful things the coöperative movement has done, that is more characteristic of itself than of its separate agencies, is a conscious attempt to cure the negative propaganda that always prevails against any movement. Federations are far more sensitive to public opinion and to public complaints than are the separate agencies. Whenever an individual or a family is treated in such a way as to meet with the disfavor of someone, the federation sooner or later finds it out at the time of its campaign if not before. A system of handling complaints has gradually evolved in which the person interested in reported cases is kept closely informed of what is being done, and every effort made to convince him that the work is right. Most human beings are reasonable. What they want is courteous attention. Any professional attitude that assumes the public has no rights once a case has come into the hopper of the social work machine converts itself very quickly into negative propaganda for social work. In spite of the fact that the best of our social workers have always practiced a habit of carrying interested

individuals along with them in the treatment of their cases, enough others exist who have not practiced that habit to have created a decidedly injurious backwash to all the processes of case work in its relation to the public. Moreover the public believes in a prompt and humane system of relief. It gives its money for this, and has a right to expect it. When relief has been given promptly in a humane spirit, constructive service can afterwards be sold through conversation, which by the way is the most effective medium for selling constructive work.

Some of the habits of the best social agencies, such as the conscientious habit of referring cases which do not belong to them to other agencies, have made for occasional slips in the proper management of cases, that invariably react unfavorably on the whole system of social work. Federations by their constant supervision of complaints, and their constant insistence upon a reporting system to the public by agencies, have done much in the way of correcting negative publicity and converting it into useful propaganda for social work.

We leave this subject with the observation that educational publicity as an art is yet in its infancy. Much needs to be done in the development of methods already in use. Much needs to be done in the discovery of new methods and of new ways and means of making social work popular. We are on the highroad, however, and the next decade will see enormous advances over the last.

CHAPTER XVI

CAPITAL FUNDS

In the early days of modern organized social work buildings and equipment were secured either by the gift of some single individual moved by a friendly impulse toward humanity; or by the solicitation of a few people for relatively large sums of money from each; or by the patient accretion of funds through countless bazaars, card parties, church collections, and the various methods of entertainment and money-raising combined. The gathering of funds was painfully slow and had no spectacular aspects in any community.

Then came the campaign method of raising building funds. It originated in the ranks of the Young Men's Christian Association, and there it was husbanded through its experimental stages into the final fulfillment of its promise. When it was obviously successful hospitals, orphanages and later colleges and other institutions adopted it. Commercial concerns, skilled in campaigning, sprang up to promote this type of money raising.

From 1913 to 1917 the federation had troubles enough digging in on the current expense firing line. It had no time to worry about any other ventures that did not relate to this one supreme objective. During the war period not much was done anywhere in the field of capital financing, because everyone's attention was focused on war problems that were given the right

of way by common consent. Immediately afterward, European relief and great church funds held the stage, and building finance again remained in abeyance for the most part. An industrial depression occurred in 1921 to postpone the revival of building operations. After that the building campaigns were brought forward, and many of our cities have found in the rapid succession of these a re-creation of the old confusion in soliciting that was a prime element in bringing about the control of current financing.

Building Funds Re-create Confusion

In these intervening years the war chest and its successor the community chest had made the federation movement; and its friends began to turn to it for an answer to the question of capital finance. The ease with which campaigns may be arranged, especially with the help of commercial campaign managers, leads into a number of communal troubles. First, there is the confusion growing out of the thoughtlessness with which such campaigns may be scheduled. Sometimes more than thoughtlessness has caused one campaign to rush pell mell into the field ahead of another already publicly announced. It is greediness and competition, and a fear that someone else will skim the cream of generosity first. Little attempt has been made to accommodate the time of one campaign to that of the next, because there has been no place where such arrangements might be made. Second, while many building campaigns have been successful, more of them have not. There is a very definite technique about such enterprises, part of which revolves about this time-scheduling business. Many agencies do not understand this technique and have gone ahead regardless of its rules only

to get into trouble. Unsuccessful campaigns are misfortunes; and if they can be prevented so much the better. Third, is the unrest of the givers. Fourth, is an uneasiness in many federation officials' minds. They think they have seen in the growing number of building campaigns a threat to the current revenues of the agencies for which the federation is responsible year after year. Then, too, a federation is always compelled to worry a good deal about how the influence of sudden expansions in institutional service will affect its own ability to carry the annual costs of the constituent agencies. If it is true that when a federation is once established, only a certain percentage of increase in current contributions may be expected in its city year after year, then it is also true that some controlling factor must be introduced, that will hold expansion of service and equipment to a rate where the operating cost for these new endeavors will not exceed the capacity of the federation to pay the bills.

All of these considerations has driven the federation rather reluctantly into thinking about the control of building fund solicitations. Any organization which can master the current expense problem of a city, and along with that improve the service and change the public attitude from indifference to growing cordiality, has done nearly enough for one generation. One has only to try such an undertaking to realize the energy-sapping force needed to accomplish it. The hesitation, therefore, with which federations have eventually entered this field of building funds is by no means surprising. The approach has been along two different lines. First, some experiments have been made in an attempt to have the federation do capital fund financing itself; and second, in an attempt to have the feder-

ation, while not actually conducting the campaigns, introduce into the situation, through its position as arbitrator between the agencies and the public, a regulatory plan of procedure which will be accepted voluntarily and bring order out of chaos.

A Partially Successful Experiment

The most ambitious experiment in actual financing by a federation was undertaken by the Detroit Community Fund, which, in the heyday of its post-war enthusiasm, decided to write a community-wide improvement budget. There were special reasons why this undertaking appeared justifiable at that time. The city had grown enormously, and increased institutional facilities of various kinds had not kept pace with the expanding population. Consequently the federation asked its respective agencies in need of new buildings for their services what their plans were for expansion. When these plans were all gathered together more than a dozen of the institutions announced an intention of growth in the immediate future. The sum total of the programs converted into dollars and cents totaled close to $15,000,000. After careful analysis, and many conferences, the amount was reduced to about $10,000,000. These projects all seemed to the federation relatively useful. It was obvious that it would be impossible to take care of all of these proposals at once and an agreement was therefore reached that the federation should undertake to raise one-fifth of the total amount in one year, as an experiment. If the public responded satisfactorily an equal amount would be incorporated in the annual campaign for four more successive years, so that at the end of five years the total amount would have been secured.

The campaign was conducted, and the federation found that the public did not take readily to the scheme. Money enough was subscribed for the current expense and foreign relief budgets, the latter being a prominent factor in the federation's budget at that time. Only one-half of the total amount for building funds was secured, however, and that with the utmost difficulty. A million dollars was added to the capital accounts of the agencies; but the federation deemed it wise to abandon its capital project. A number of reasons may be cited why this was not a conclusive experiment of this plan for financing building funds so far as the whole movement is concerned. In the first place this federation was relatively new. It was one of those organizations which had come into existence at the time of the war, and, like all of the war chests converted into community chests, it had plenty of trouble getting its feet under itself in the current expense field during those querulous days just after the great struggle. The experiment was tried too early in its history. Another reason was the fact that war enthusiasm was ebbing. Giving had been stretched to the breaking point; there was a general reaction all over the country against the excessive generosity of the war period; and this, no doubt, had its influence, especially as some of the agencies that would have secured war funds had been active in the war service, and had been criticized for their humane response to the men under arms. A third reason was that the city in question did not have the necessary background of years of generosity. Only now, through the influence of the federation, was it beginning to develop its traditions of giving. It was therefore an unfair load to thrust upon a new organization under such circumstances.

These are particular reasons for the limited success of the plan in Detroit at that time. Several general conclusions may be drawn from the experiment which are of wider application. In the first place difficulties appear in the control of capital requests that are not present in the control of current expense budgets. Current work is relatively susceptible to cost accounting analysis, and a steady rate of growth may be provided that retains harmony among all the agencies. But with the vague generalizations that pass just now for knowledge in the realm of undeveloped work, and the lack of measuring sticks to determine total capacities needed for any type of institutional service in a community, it is far from easy to convince agencies that want to increase their facilities largely that the increase may not be justified. The evidence will not be at hand until our norms of measurement have been worked out. Divided counsels are created at once with compromise the only possibility for the solution of problems where compromise as likely as not is the wrong solution. With so much guess-work one guess is as good as another. Policy opinions are not founded on sufficient facts, and, therefore are not convincing. Sectarian and nationalistic differences that are readily harmonized in current budgets, rise up to smite those who seek to arbitrate joint capital funds. These are all real obstacles, but probably not insurmountable ones for the future.

A More Successful Experiment

Another city, this time a small one, has carried capital funds for several years in its federated budget. Two hospitals were needed in Saginaw, Michigan; and the federation undertook to supply them. Each year it added substantial sums for the purpose to its current

operating budget. Although it did not secure at any time the full capital quota asked, it did secure part of it each year, enough in fact to finish one of the hospitals and to make an excellent beginning on the other. Apparently about six years of this kind of financing will have erected both institutions.

The noticeable difference between this experiment and the other is its modesty. Only two institutions have been picked out for help so far. The selection was based on an unchallengeable need, and no commitments beyond these have been made for the future. Nevertheless a habit of giving in excess of current needs has been established; and if it can be maintained other buildings may be secured eventually.

Occasionally, here and there, one hears of some such modest capital financing project being tried by federations; but on the whole until the federation is very well established in its city, and questions of current revenue have been more satisfactorily disposed of than they usually can be in the first few years, it would seem wise not to undertake capital budgeting. Although current incomes for federated agencies have been largely increased, most of the federations still find they have no surplus at the end of the year.

Regulating Solicitations

Quite another approach to the problem has been made by many federations along the lines of regulation. Such regulatory schemes undertake, first, to determine the number of campaigns that may be conducted in a community in any one year; second, those which shall have precedence; third, methods which when agreed upon will guarantee the success of the campaign; and fourth, the construction of plans that will assure suffi-

cient current revenues when the buildings are completed The following extract from a report of a special committee on building fund campaigns of the Welfare Federation of the Oranges, N. J., gives the general principles involved in all of these regulatory attempts:

"Your committee has given the subject of recommending a policy as to new construction for members of the organization most careful consideration. They believe a wise policy that is understood and accepted by the member organizations is essential to the continued success of the Federation. It is a subject that has engaged the attention of many Welfare Federations throughout the country, and it is evident that those who have not adopted a policy on the subject will be forced by circumstances to do so.

"Your committee in considering this subject has been of the opinion that it is impossible to look forward with any confidence to any sudden or rapid growth in the contributions made to the Welfare Federation. They believe that while constant progress can be made toward interesting people in the Federation's activities, yet the growth from now on must be proportionate to the increase in population and the wealth of the communities, whereas, in the past, before the Federation idea had been so generally accepted by the Oranges, it was possible to open up many new fields. They believe that it is necessary that there should be growth and that indeed the Federation would be a failure unless over a series of years it provided for a proportionate growth, but that there are certain limitations as to the possibilities of the raising of funds for maintenance that must be recognized, and any new enterprises, whether they be in the shape of new agencies or in the nature of extensions of existing agencies, should only be entered

into with due regard to the possibility of their continued maintenance. They therefore recommend that the following rules be adopted in considering either new agencies or building or capital extension of existing agencies:

"1. That no campaigns be initiated or started without the approval of the Federation, and that the Federation grant its approval in the order of its judgment as to the needs of the community.

"2. Agencies desiring to launch campaigns for new buildings, land, major equipment, or furnishings, must first demonstrate the need for the above.

"3. From one to two-thirds of the total amount desired, depending upon the nature of the project, must be in the form of pledges by friends of the agency before general solicitation may begin; and further provided, that a list of preliminary prospects must be approved by the Executive Committee of the Federation before any solicitation outside of the organization directorate be undertaken.

"4. That the time, method, and amount of the campaign must be approved by the Federation.

"5. That in any plans submitted there must be embodied evidence of the carrying out of one of the three following conditions:

"(A) That the new building or buildings, or extension to present building or buildings, will be self-supporting; or

"(B) That the amount raised in the campaign must include a sum sufficient to form an endowment for absorbing the anticipated additional expense; or

"(C) That the additional expense entailed by the new building shall be no greater in comparison to the past expense of the organization than will, in the opinion

of the Board of the Welfare Federation, be justified by the probability that the public will be sufficiently interested to increase their subscriptions sufficiently to allow the federation to make the necessary increase in the organization budget without jeopardy to the existing member organizations."

Capital Funds Are Supplied by Wealth

These rules with minor alterations are the standard ones that have been adopted by cities undertaking the regulatory program. Two points in regard to them need a little elucidation. The first is that from one to two-thirds of the total amount desired, must be raised by a few friends of the agency before general solicitation may begin. The experience of innumerable capital account campaigns in all parts of the country proves that building funds are supplied by wealthy citizens and not by the general public. Two successful campaigns in Cleveland in 1923, one for $2,500,000 and the other for $350,000, addressed their efforts primarily to the five or six thousand donors to the Community Fund whose gifts were largest and made up an overwhelming proportion of the total subscribed to the Community Fund. A third campaign for only $150,000 conducted in the same year realized only fifty per cent of its campaign goal, largely because it addressed its efforts to the neighborhood adjacent to the institution which would be served by the institution, in which no great amount of wealth was centered. It may be put down as an axiom that no capital campaign will be successful unless a large proportion of the total sum be given by a relatively small group of donors who may be counted upon to contribute generously. Knowing this fact the federation insists that those closely interested in the

organization proposing a capital expansion shall prove in advance that the wealth of the community will respond in order to assure success of the project.

The Cleveland capital account committee, after a careful analysis of a number of campaigns in 1923 in that community, says that in practically all cases fifty per cent of the campaign results were obtained from forty to fifty large pledges, and that practically all of the capital account subscribed came from a group not exceeding six thousand donors.

The second point about this regulatory business needing explanation revolves around the requirement that the plans for the building shall also carry plans for an endowment or for maintenance by self-support. The responsibility of a community chest or a federation does not cease when its directors permit an agency to conduct a building fund campaign. A federation must give consideration to the effect which the new building will have upon an equitable distribution of maintenance funds. It must ask itself whether the community will be able to sustain the extra burden. One can readily see what would happen to a federated city if, through a thoughtless influx of new projects, the annual maintenance budget to be supplied by gift income should increase in excess of the amount that could be raised. Member agencies would then suffer budget reductions and be compelled to curtail their work.

Federation Speeds Up Building Fund Acquisition

One of the arguments sometimes advanced against adopting the plan of financial federation is that it slows down the acquisition of new buildings. Only the older federations have been in existence long enough either to affirm or to contradict this argument. The universal

testimony among them is that the fear is groundless. Approximately $15,000,000 has been given for new buildings in Detroit since 1919, and that in the face of the war reconstruction period.

A combination of these two major policies, actual financing by the federation, and the regulation of campaigns, is under contemplation in one or two places. The policy of general regulation having been adopted, the community fund directorate realizes that the requirement for agencies to produce from one-third to two-thirds of the total fund from a few people is a practical impossibility for many small organizations that have not the strength to comply with this requirement. Consequently it has been thought that several of the smaller institutions in need of building funds might be combined into one campaign to be conducted apart from the current expense campaign by the federation itself. Larger agencies with greater strength would be expected to manage their own capital financing separately under the rules and regulations laid down for all agencies.

In a few federations the pressure of maintenance accounts against the total gift income has not been so serious as in a majority of cases. In those cities a liberal policy in regard to appropriations has been possible. A generous interpretation has been made of the term "maintenance," and appropriations granted to cover a retirement of some mortgages and land contracts by gradual stages. Institutions are given what are in effect replacement funds; and occasionally some organization that works out larger earning power from its clients is permitted to accumulate a portion of these for future expansions.

Here and there also we find some special localized plan for building projects, as for instance the Catholic charities of Cleveland which have been taking collections for a number of years among their own people for building purposes.

Effect on Endowments

We turn now to the other wing of capital accounts, the endowment. What is the ultimate effect of the federation upon the accumulation of endowments by constituent agencies? Only recently has it been possible to observe the exact effect of the federation movement on endowments because of the youth of the movement. Even now the evidence that the federation movement has collected is by no means conclusive. Endowment growth more than any other one thing in social finance is, generally speaking, a matter of history, and has been left pretty much to chance. As we look over the field of social work in the United States we find the territory east of the Appalachian Mountains heavily endowed, and the territory west of the mountains only lightly endowed; Pittsburgh, Chicago and St. Louis being the only trans-Appalachian centers that may claim even near distinction. The farther west we go the amount of endowment dwindles. Boston, Philadelphia, Baltimore and New York are at present the great endowment centers of the country. They are also the places where wealth is the oldest, where wealth has been in the possession of families over long generations. On the whole endowments have grown up only when wealth has become mellowed in the possession of individuals, and thoughts about its distribution have begun to share the mind with thoughts of accumulation.

have come to agencies, rather than agencies going aft endowments. To be sure there has been some desulto advertising here and there, both by annual reports ar by weekly cards in the press, suggesting that the agen is in a receptive mood for bequests; and a casual cul vation of lawyers who make wills for the rich. T Christian Associations in securing dormitories ha looked upon them in the nature of endowments; ar some hospital building campaigns have provided a su plus for endowment purposes. Occasionally, also, social executive has carried on sales work deliberate seeking endowments. But these are scattered achiev ments, and the fact holds that the endowment as su has attracted less organizing ability than any other fie of charitable finance.

Federations are now starting out to conduct delibe ately planned publicity programs, calling the attenti of wealthy inhabitants of the various communities the fact that the agencies have only small endowme funds, and suggesting that a stable system of char able finance calls for an enlargement of endowme monies. The social responsibility of wealth is press home to those who prosper; and the direct suggesti made that bequests will be welcomed either by t agencies or by the federation itself. In addition, co crete suggestions are being offered of the objects whi can make the greatest use of bequests. A bequest generally a very personal affair, much more so than current gift, and the federation, recognizing this, making it easy and natural for the donor to expre himself in some enterprise that appeals to him.

Another tendency, now appearing, is the enlighte ment of life insurance agents on the institutions th may be endowed, in the expectation that some insu

Automatic processes of redistribution are also at work in the world as families that have wealth become extinct.

The federation movement in its inception was a movement in the Middle West. Its greatest expansion has been in the Middle West, and more recently in the Far West and in the South. Consequently a gap has existed between the centers where the habit of leaving bequests to add to the sum of endowments has been strongest, and the centers where federation has become most firmly lodged.

We do find, however, upon careful analysis that endowments in such cities as Detroit, Cleveland and Cincinnati have had a material expansion contemporaneously with federation. In Detroit in 1918, the year the federation was launched, the total endowment holdings for all agencies were about $2,000,000. By 1925 this sum had risen to nearly $8,000,000, an increase of approximately 300 per cent. That a good deal of this growth may be attributed to federation indirectly is beyond question. Giving is a habit that can be taught. It must be acquired as many other habits are acquired. When once it is acquired it develops unconsciously in most people into wider and wider practice. The federation generates in its community this habit of giving in multitudes of people who never had it before. It does not stop with the current gift; but in the course of time runs automatically in many instances into bequests and memorials that stand as perpetual reminders of the donor's generosity.

The federation movement is just entering into serious consideration of deliberately planned ways and means of stimulating the endowment habit. Inquiry shows that in the past, generally speaking, endowments

ance policies will be written for the benefit of philanthropy.

We have already noted how agencies entering upon building enterprises are being required to include in their seekings some endowment funds. All these efforts are in their infancy and the movement is so far entirely experimental. Nevertheless, there can be no doubt that ways and means are being developed that will do for the endowment field what the federation has already done for the field of gift income.

The Community Trust Movement

One reason why the coöperative movement has been slow to enter the endowment field is because another plan for securing that kind of funds with elements of coöperation among the givers has been prominently before the public almost as long as the financial federation. It is the community trust or foundation plan; and inasmuch as friends of federation have been its sponsors, federation has been inclined to make a quiet alliance with it and help it along.

The community foundation arose from much the same set of ideas that gave rise to financial federation. Endowments are public trusts for public uses. Some of them have been carelessly dissipated; others have been designated to unwise uses; others have outlived a usefulness that once existed; and still others have been surrounded by restrictions that limit the full extent of their usefulness. Knowing these things from long years as a legal counselor of rich clients, Mr. F. H. Goff, former president of the Cleveland Trust Company, conceived the idea of a central body for the reception, administration, and apportionment of philanthropic trust funds, which would function in a way to

free them from the restraint of the so-called dead hand, guarantee their proper administration, and make them most useful for community purposes. He established the Cleveland Foundation in 1914, an institution that has since been copied in some forty other communities.

Mr. Goff stated the aims of the Community Trust as follows: "To receive and to safeguard donations in trust under supervision and regulations imposed by state legislation; to employ the principal or income, or both, for educational and charitable purposes in a broader and more useful manner in future years than it is now possible to anticipate; to provide for specific needs stipulated by the donor; to insure the perpetuity of principal when that is desired; to lessen preventable errors of judgment in the disposal of principal and income; to guard against unwise use of income and principal by beneficiaries; and by a union of available funds to promote the civic, moral and mental welfare of the people in the widest, wisest, most economical and most efficient manner."

In addition to these general aims it has been claimed for the community foundation that the man of small means may, by pooling his gifts with others, accomplish the same results in benefiting humanity that people of enormous wealth accomplish by creating individual foundations. He is given an assurance of careful business administration of his funds because a trust company, or several trust companies combined, is the fiduciary agent of the funds; and he is given assurance that greater wisdom will be employed in the distribution of both income and principal than he is able to give himself.

It is stated that the evils of undersupport by endowment earnings may be adjusted, and that it will also be

possible to control in some fashion cases of oversu
port. Experimental charity is also promised in such
way that the principal may be safeguarded and th
income readily diverted to other purposes if the exper
ment does not prove to be worth the investment.

Principles of Organization

In practically all community foundations so far es
tablished these general principles of administration ar
to be observed. The trust company originating th
agreeement of trust acts as trustee in managing th
investment of the principal. In those cases where
multiple trusteeship has been created by a combinatio
of several trust companies into one community foun
dation, the separate trust companies act as trustees fo
those principal sums which are lodged by the donor
with each trust company. The income from the trus
and in certain cases the principal, is distributed by
committee usually composed of five members chose
in part by the trustees, and in part by public officials
The Cleveland distributing committee, which is charac
teristic of the others in its make-up, is composed o
five members; one chosen by the Mayor of the city
one by the senior or presiding Judge of the Unite
States District Court for the Northern District o
Ohio; one by the Probate Judge of Cuyahoga County
and two by the Board of Directors of the Clevelan
Trust Company. It is specified that they shall be "res
dents of Cleveland, men or women interested in welfa
work, possessing a knowledge of the civic, educationa
physical and moral needs of the community; preferabl
but one and in no event to exceed two members of sai
committee to belong to the same religious sect or de
nomination; those holding or seeking political offic

to be disqualified from service." The term of a committee member is five years and the terms of office overlap so that continuity of policy may be maintained.

Up to the present time not many of these community trusts have received much actual cash. The Boston Safe Deposit Trust Company; the Chicago Community Trust; the Indianapolis Foundation, created by a union of three trust companies; and the Buffalo Foundation, created by a union of six trust companies, have each received bequests amounting now to considerable sums. It is claimed for the Cleveland Foundation that a great many millions of dollars have been written into wills for future accrual to its use.

Criticisms of the Movement

This movement has not come into existence without some opposition and a good deal of criticism. In the first place it has been charged with being an entirely local movement with a decidedly provincial outlook. Religious authorities in particular have called attention to the fact that the use of the funds in many of the community foundations is restricted to a small geographic area in the immediate vicinity of the trust companies originating them. They have been urged to expand their outlook to a national and international view. In lieu of such an expansion the so-called uniform trust agreement is offered to secure all of the benefits that a community foundation will secure, and at the same time overcome the localism now so apparent in the foundation plan.

The second criticism is one which revolves about any process of centralization. It is said there is a danger that a small distributing committee, with the best of intentions, may smother useful movements and that the

lodging of so much power in anyone's hands is out of harmony with the democratic tendency of the American republic.

The truth of the matter is, the community foundation movement is in its infancy. It is yet untried. Whether it has met with public favor or whether it has not, is not known to anyone. A number of years must elapse before a true judgment may be formed in regard to it.

CHAPTER XVII

NATIONAL AGENCIES AND COÖPERATION

THE coöperative movement presents two quite distinct phases in its relation to national agencies. One is the relationship of national social work to coöperation in the local communities; and the other is coöperation among national agencies themselves. Both of these phases are confronted with perplexing questions, and each needs treatment as a separate subject.

First, is the relationship of national agencies to local coöperation. So long as the coöperative movement in a local community has not progressed beyond the council of social agencies stage, it interferes in no way with the aspirations and plans of any national agency. If there are any relations they are friendly enough. But when coöperation in the local community arrives at the stage of financial federation, clouds roll up at once; for inherent in the financial federation is a determination to be the chief guide of the social program of its community, and of the ways by which money is to be raised and distributed; and inherent in some national agencies is an equal determination to guide the destinies of their local branches, and to determine ways and means of finance and apportionment to themselves. A measure of conflict is involved between two different kinds of coöperatives, the local trying to organize and bring into harmonious discipline all social work in a locality; and the national trying to organize and bring into harmonious discipline all of a given kind of func-

tional activity on the continent. Neither of them have developed far enough in their thinking on mutual organization, or in their trustfulness of other human beings, to realize that both of them will eventually be caught up in a coöperative movement bigger than themselves, in which they will be the two most important links that unite all social work in a great national cooperative movement.

Provincialism of Federations

In its inception a federation has an intense local consciousness, arising from the profound influence of the givers who have taken such an active part in originating it, and in shaping its early policies. Contributors are prompted in no small way by civic pride, a thoroughgoing devotion to the community in which they live, an absorption in its problems and progress. An element of jealousy of other communities enters into it that is hard to understand until one has experienced it. Offset against this local consciousness is an equally intense self-centeredness of the national agency, which sees the local communities as incidental dots upon a continental map, designed for the spread of its special program and service. These two views are contradictions one of the other, and lead inevitably to mutual criticism and antagonism as they come into conflict. The provincialism of the federation throws a national agency out of its standardized calculations, and compels it to adjust itself to the peculiarities of every segregated locality. The absorption of each national agency in its own program presents to the federation a wide variety of financing plans, quota concepts, and promotional schemes, to which the federation is compelled to adjust itself.

Federations have some very concrete complaints. The great number of agencies that call themselves national and appeal to federations for support is one obstacle to real understanding between the national agency and the local coöperative. It is a well-known fact that a philanthropy designed to operate nationally may be started with greater ease at present than one designed to operate locally. The increase in movements ambitious for a national field and national support has far exceeded the increase in local agencies during the last ten years. New York's great foundations are in no small measure responsible for this influx. When we realize that only one of the largest federations supports more than two hundred local agencies, and that the average federation finances less than fifty, and when we realize that national appeals run into many hundreds, it is obvious that the federations find it impossible to meet the demands upon them, even if they are inclined to be friendly to the movement for nationalized work. When the number that really do operate on at least a partial national basis have been winnowed from the rest the figure still exceeds the local units that most federations finance. It is not surprising, therefore, to find a criticism coming out of federation circles, that more national agencies are now in existence than are needed for a satisfactory spread of social work, giving rise to a mental obstacle for any new national agency to overcome when it approaches a federation.

Most National Agencies Not National

Only a handful of agencies calling themselves national had succeeded in spreading their support over more than a very small territory in the eastern financial

district before the rise of the federation movement. Generally speaking, those that had done so appeared as movements essentially local in service, either first spreading from one locality to another with only incidental relationships, and then coalescing into some degree of national unity like the charity organization movement; or first appearing at a central point, and then establishing local units from national headquarters, like the Red Cross. These were easily understood by federations. But most national appeals of the last ten years have come from institutions that are not yet national in either work or support. Their programs have been in competition with some excellent movement, or of a propaganda rather than a service character, or of a kind of service that could not ever be localized in all the population centers of America. The federations have been asked, not merely to support them, but to share in creating them. Inasmuch as federation is tremendously conscious of duplication, and of its trusteeship to millions of small givers, it has some defense for meeting with indifference the insistence of a mere handful of disorganized eastern givers, who represent America in no sense whatsoever, that it should participate in such processes. The essence of federation is to bring order out of disorder. It instinctively shuns irresponsibility.

Diversity of Financing Plans

Still another thing that causes irritation between the two camps is the variety of methods used by well-established national agencies in financing themselves, many of which violate the fundamental concepts of joint financing. The Red Cross Roll Call and the seal campaigns of the tuberculosis movement illustrate the

point. The usefulness of both of these organizations is recognized in all localities, and the utmost good will prevails for their general purposes. But the Red Cross, adhering to its roll call on the theory that it should have several million members taking personal interest in it, and that renewing a dollar membership fee once a year proves this interest, is directly in conflict with one of the precepts that has given the federation its greatest strength. To the limited number of local people who always work in money-raising canvasses, the Red Cross Roll Call is merely another campaign, which becomes a nuisance of some magnitude after they have acquired the knowledge that the same and larger financial results may be secured by a simpler, less wasteful, and less exhausting means. The retention of personal interest by this method is challenged by them out of their experience with local agencies; and, at any rate, the price in labor seems to be too great. No more effort would be needed to raise several times the sum involved in a dollar-a-member collection; and one does not like to have his work so relatively unproductive. From the national viewpoint the tuberculosis seal sale is a money-maker, easy to handle, educational, and carries a fine sentiment. From the local viewpoint it is another chance for the giver to protest that his privacy is invaded; that he opens his mail only to be asked to stand and deliver; and that he is tired of solicitation anyway. Excellent as these movements are, they show clearly how the best of national agencies, looking at their problems with a single-track mind, may fail completely to understand that the very things which they regard highly would not be tolerated under any circumstances if proposed by equally important local agencies in a federated city. They show how, in the

national concept, the local giver and his traditions and his rights are thoroughly separated from the administration; how the nationals do not yet understand that a citizen of a community detaches himself with difficulty from the habits of his community when called upon to serve a remote agency occupying far less of his thoughts than the ebb and flow of life about his home.

Budgeting Methods of National Agencies

Another clash of policy similar to this arises from the disapproval with which federation looks upon the way budgets of national agencies are written; and upon the several different methods in vogue for assessing quotas upon localities. Budgets of local agencies in a federation are produced by coöperative processes. The agency must submit its requirements to a group representing other agencies and the contributors, and must defend its requests before an impartial tribunal. National agencies, not yet far enough along in the stream of coöperation, write budgets to suit themselves, and tell localities what is expected of them in meeting the budget. The locality that has accustomed itself to community budgeting methods, the frankness that goes with them, and the give-and-take that becomes a habit, instinctively questions any request coming from a budget that ignores the great bulk of contributors.

This present inability of national agencies to trust, either other nationals, or the contributors in the country at large, with a voice in budget review, stands out clearly in the different ways of assessing the local communities. One agency asks that a fixed percentage of the total local budget shall be paid into the national

treasury. Another asks for an amount determined by a complicated scheme based on assessed wealth, bank deposits, population and gross budget of the local. A third wants a sum figured from previous money-raising experience in the locality. A fourth seeks what it thinks it may be able to raise. Uniformity does not exist and federations have been confused. Pending the time when nationals will put their budgets on the conference table for review before they are finally adopted, those federations inclined to make any national appropriations have a pretty good notion of what their share of a total national appropriation is, based upon standard calculations of their own.

When No Appropriations are Made

These have been the complaints of federations against nationals; but, as usual, when misunderstandings arise, by no means all the faults have been on one side. The nationals have their grievances too. First, is the federation city that not only makes no appropriation to national agencies, but also opposes their solicitations, a dog in the manger attitude. No excuse whatever may be offered for such a position. The federation, especially if it acts in an endorsement capacity, or as a bureau of information and advice to its givers, has a right to require proof of the national agency's honesty, efficiency, responsibility, and high standards, for advice to its own clients; but beyond that, nothing. No right in law or in ethics resides in a community organization to prevent agencies outside its fold that are thoroughly reliable and useful from seeking support where and when they will. Fortunately, this attitude is not representative of the movement.

Next, is resentment by some federations over any kind of field work promoted by national agencies. Occasionally there is justification for such resentment, especially when the field work is ill-timed or done in such a way as to create discord. But usually this stand by a federation comes from an arbitrary spirit of its own that arises in its early life, especially if it has been rushed into existence by its contributors; and before experience with the world has chastened it. Local pride breeds belief in perfection, an organization egotism and vanity, that is fed sometimes by sluggish workers whose reputations must be artificially bolstered if they are to have any, and who resent implications that their work is not superlatively good.

Does Federation Interfere With Money-Raising

Finally, there is a more or less prevalent belief among nationals that the existence of federation makes money-raising hard for them. As we have already noted, a federation here and there presumes to make money-raising hard. But generally there is no active opposition. There is rather a situation where the federation has raised no objection, but the prospects approached by the solicitor used their gifts to the federation as an excuse to get rid of the solicitor. Here is a really perplexing situation. Although few federations authorize the preaching of complete inclusiveness when it doesn't exist, and most of them honestly and actively try to avoid such an idea, their volunteer solicitors frequently use that as an argument for gifts in spite of them. If they do not many givers think of the federation as inclusive anyway. The

planting of such a thought in the minds of givers appears to be inevitable at the start of a federation; and it takes some years of bitter experience to eliminate it.

Yet, is it a new obstacle to financing national agencies, or simply an old obstacle in a new dress? In the mind of the average person there is a defensive wall against any onslaughts on his pocketbook which our rich idiom terms sales resistance. The resistance is there whether there is a federation or not. It takes any convenient mode of expression: "I give to other things"; "My interest is in tuberculosis work, nursing, or the church"; "I don't believe in charity"; "The government should do it all.' Having watched many national solicitors at work, having helped a few of them, having actually solicited for one or two national groups, the writer doubts very much if the existence of the federation brings any new obstacles to money-raising in its locality. The experience of local groups outside a federation proves rather conclusively that the coming of a federation makes money-raising easier for a responsible aggressive organization. The federation teaches giving in ever widening circles—bigger gifts from old givers, and more people who give. The writer has seen too many national solicitors who assume that money can be raised without much labor. They ask a few givers whose first answer is that they give to the federation and therefore must be excused. Without going on with their salesmanship the solicitors accept the refusal and blame the federation. They go to a dozen people, make no intelligent effort at real salesmanship and quit the town. Money isn't raised that way, federation or no federation.

Increasing Competition

One thing which most of the national agencies do not yet sense is the increasing competition in money-raising. As we look back over the years since 1900 and observe the remarkable growth of national, state and local appeals; as we trace the multiplying begging endeavors for things which are not charity, such as conventions, automobile races, airplane tournaments, olympiads, colleges, church funds and the like; we must in all fairness admit that there is reason for sales resistance, reason for grasping at any of the many excuses against giving, reason for the national agency, as well as the local agency, to begin to think in terms of more efficiency and less competition in money-raising machinery.

Easy Appropriations

A limited number of federations, chiefly in the larger cities, have overcome these numerous obstacles and are making appropriations to a small group of larger national agencies. The remainder of the federations, by far the largest number, up to the present time are making no appropriations to nationals except a few incidental small amounts appearing in the budgets of the local agencies as dues to their national headquarters. We find a few appropriations made with relative ease by those that do subscribe to national agencies. The Jewish charities of most communities had already incorporated in their own federations quotas for a small group of Jewish national or regional enterprises that the general communal world of the Jews had agreed were useful to the locals. Among them, for instance, were a hospital for the treatment of

tuberculosis, established many years ago in Denver, regional orphan asylums, regional old people's homes, national desertion work, and national research. These enterprises, having been included already in the Jewish federations, have been assumed automatically wherever the Jews have joined the community organization. Another easy decision is where the local units of any national are widespread, and where the habit of leaning upon the national society for promotional work, conferences, and standard services has been long established. The Boy Scouts, Girl Scouts, Young Men's Christian Association, Young Women's Christian Association, and American Association for Organizing Family Social Work, are samples of this sort of national agency. When a federation has adopted a general policy of contributing to national movements, it is not difficult to agree to the general principle that service of this type easily perceived to be useful to local units should be assumed.

Even in making these appropriations the federations have a difficult problem in adjusting themselves to the different kinds of quota that national agencies assess upon their locals for support. It has meant that federations, with an eye to that hoped-for day when the really useful national agencies learn to coöperate and establish uniform business practices, have waived their standard budgetary methods in appropriating to the support of national agencies. This is a decided concession in the interests of harmony that temporarily weakens the federation movement.

Strong National Agencies Unwilling to Yield

The strong national agencies, having preceded federation and having their own habits, are not inclined

to yield much to the policy of local coöperation through a federation. Dealings between federations and the Red Cross, which is supported fairly widely by federations, illustrate the point. In order to reduce the number of campaigns many towns have consolidated the roll call into the federation campaign. At the start most of these consolidations were with the understanding that each person who contributed $1.00 to the federation would be counted a member of the Red Cross, and the first dollar contributed by each subscriber would be paid to the Red Cross. This arrangement met with growing dissatisfaction on the part of the federations, which through their own efforts were constantly increasing the number of givers. The appeal of the Red Cross could not account for much of the increase. Federations found themselves compelled to pay the Red Cross expanding appropriations that literally barred some local agencies from increases. For this they received no compensating strength in the joint appeal. In 1923 a committee of the Red Cross and a committee of the American Association for Community Organization worked out a tentative plan, which at the time seemed to be satisfactory to each group. The new conception proposed that local chapters doing work in the locality should be treated as any other local organization, and given a budget irrespective of the roll call, this budget to be based upon the need of the chapter as demonstrated through its figures, and subject to the usual review and control. All persons contributing $1.00 or more were to be regarded as Red Cross members; and the list of federation donors was to be made available to the local chapter for circularization purposes if it was wanted. The national organization was then to receive an

amount of money equivalent to the average amount paid to it during the three years just previous to the acceptance of this agreement, and future growth in the national appropriation would be commensurate with the normal growth in federation funds.

Apparently the actual operation of this program was not pleasing to the Red Cross. Late in 1925 a new statement of national policy governing relations between Red Cross chapters and federations was issued from Washington. This statement reiterated the three cardinal principles that must be safeguarded when a chapter joined a federation: the retention of Red Cross membership with its national and international significance; adequate funds for the chapter; and proper support for national and international services. In the main, the pronouncement was a restatement of the previous understanding with federations with four changes, two acceptable to the ordinary federation and two that are not. The first required that any agreement by a chapter with a federation must be put into a written contract, and the proposed agreement must be approved by the vice-chairman of the American Red Cross in charge of domestic operations. This requirement affects the policy of many federations in that no written agreements between agencies and federations exist: gentlemen's agreements of mutual trust being considered sufficient. Contracts are not written because agencies participating in federations are either formally or informally members of a coöperative society, rather than contracting parties with an outsider. The rules governing participation are part of the constitutional structure of the federation. By such a requirement the Red Cross refuses to recognize the coöperative nature of the movement; and it takes the

right of self-determination away from its chapters. It is noticeable in comparison that the national Salvation Army, an institution having far greater authority over its locals, senses the feeling of contributors more keenly, and very carefully leaves the locals free to enter into the full spirit of local community life. However, the removal of self-determination is the business of no one but the Red Cross. But making the chapter an outside bargaining contractor instead of an inside member becomes the business of all agencies forming the federation, because it alters the structural foundation of federations, and challenges the right of the money getter and the money contributor to coöperate in getting and contributing funds on terms agreeable to himself.

The second change alters slightly the method of calculating the national quota, by clarifying what was before a hazy understanding; and is acceptable to any federation that chooses to deal with the Red Cross.

The third change states, that "in the event the community federation does not succeed in raising the amount of money fixed by its budget committee, and it becomes necessary for the various agencies in the federation to have their budgets reduced, the amount by which the Red Cross budget shall be reduced shall be no more than the proportionate reduction made in the budget of any other agency participating in the campaign. If a reduction in the amount allotted to the Red Cross is made, then the chapter budget and the amount designated for the national organization shall share proportionately in this reduction." This requirement reëmphasizes the thought that the Red Cross is an outsider bargaining over a contract with someone apart from itself. It is not a member will-

ing to abide by the usual rules of membership, but a corporation contracting with another corporation, and making certain that all elements of chance the members of a mutual society might share are eliminated. It emphasizes quite clearly the slight penetration of coöperative thinking into national agency consciousness; so slight that the intelligent fairness of budget committees is still under suspicion. Community budgets are certainly not written in the spirit of such agreements; and they should not be cut in that spirit. Federation conduct would quickly degenerate to the level of business and political ethics if they were, and the movement would presently cease to exist.

Budgets are now written on the basis of need; and if they must be cut they should be cut on the basis of need. If the principle of need is followed the Red Cross budget might not be cut at all, while some other agencies would be cut; or the Red Cross might be cut in greater or less proportion than others. The American Red Cross, like the other agencies that have made a similar pronouncement, being unfamiliar with a budget prepared by agencies and contributors combined, does not sense that the askings of the public contain estimates not only for vital services, but for other enterprises as well which the agencies would like to undertake, but which they can postpone if there is no money for them. These extra askings are not necessarily evenly distributed among the agencies. If the public does not give enough money to cover all requests, the vital services will have the right of way, and the problematical ones will suffer the cuts.

The fourth change provides, properly enough, that funds for disaster relief will be forthcoming. Either they are to be given from the funds of the federation,

or the chapter is to have the right to make a special appeal.

A Second Example

Another manifesto issued by the executive committee of the National Tuberculosis Association illustrates the ardent willingness of the national agency to call its reserves to arms for defensive and offensive warfare. Two of the clauses of the preface to the Tuberculosis Society's Monroe Doctrine will become classic examples of this attitude in the future.

"Whereas, in many cities it has become increasingly difficult to secure adequate support for preventive health work due to the creation of joint methods of fund raising, in which the health and tuberculosis associations have taken part; and

"Whereas, preventive health work is a rapidly growing activity as contrasted with many of the older forms of relief which are relatively static and in some instances diminishing in volume and requirement; . . ."

It so happens that the average federation city spends from 30 per cent to 40 per cent of its total revenue from all private sources upon health work, included in which is a constantly growing emphasis upon preventive health work; and in addition no small appropriations are made from tax funds for the same purposes. No other appropriations have grown in the same proportion in recent years. Furthermore no evidence being produced to prove that "many of the older forms of relief are relatively static and in some instances diminishing in volume," we shall have to fall back upon the overwhelming evidence in the hands of federations that this is not true.

The national agency is in the same frame of mind

that the local agency was in fifteen years ago. It has a competitive outlook, and not a coöperative one. It drives very hard to get its own, even if in getting its own it must plead that someone else should get less.

The Tuberculosis Association's pronouncement advises locals to secure their support through the Christmas seal campaign. In spite of the rather ungenerous spirit in which the statement is issued, there may be one pragmatic argument in favor of this conclusion. The seal sale is unique as a money-raising venture. It produces a quantity of money in small change that probably would not be produced otherwise. If this production is not seriously annoying to givers, does not call for a large expenditure of volunteer effort, really has a peculiar seasonal spirit, and offers the buyer of seals something he does not want to be without, there can be little real objection to it. If, on the other hand, its productiveness comes from the fact that it is a disguised letter appeal, and that it revives a polite form of tag day in office buildings and stores, then it must disappear; because the giver himself will not tolerate it in the future when joint money raising has become completely established. The issue is finally in the givers' laps, because it involves the givers' rights which they are writing into social work.

Even if the seal sale should be tolerated eventually, the local tuberculosis society must yield to budget review, and to the give and take of coöperation, else it will become one of those "relatively static" movements "diminishing in volume and requirement." The seal sale is not a good enough financial instrument to carry the enormous volume of preventive health work that will be done in the future; and coöperation will not wait for any organization to procrastinate upon such

an important program merely to protect a freedom that comes from the use of a weak financial instrument.

Large Number of National Agencies

A majority of the so-called national agencies fall outside of the general type of organization we have been discussing. They are agencies whose operations are promotional of a social service idea that does not call for institutional or branch agency organization. Instead, they may lead to changes in the general social structure through the activities of national offices, rather than through any local units that may be established. As illustrative of a few of the best of these we have the National Child Labor Committee, the National Probation Association, and the National Committee on Prisons and Prison Labor. Here we encounter a new limitation of federations to financing national efforts. At present the money available for national appropriations outside the eastern financial district is small, for the simple reason that no other territory has been cultivated by more than a handful of national movements. When the general service bodies of local units have been taken care of by mid-west, western and southern federations, the amount is again reduced. The agencies operating on a national scale to promote some general idea are large in number, and their appeals to federations become competitive, with an attendant survival of those that create the greatest interest in each particular federation board.

Thinking about this type of national agency will be clarified if we will recall for a moment just what a local federation is. It is an association, a pooling of those things that existed in the main before it did. It owes its existence in part to the local agencies that

grew up prior to itself. It owes its existence in part again to a feeling of confusion in the givers, a doubt about their own ability to determine judiciously the claims for funds of all the different objects appealing to them, and a desire to be relieved of what to them is a nuisance of continuous solicitation. A federation is both a mutual association of agencies for self-protection and self-advancement, and a mutual protective association of givers. The agencies that created this mutual association did so by pooling the strength of their separate soliciting machines, and the strength of their separate giving constituencies. The joint agency is strong therefore with the strength of its parts, and weak with the weakness of its parts. To be sure it has added a strength of its own to the combined strength of the agencies through the power of the mutual protective association of givers that joined in its creation. But these additions, in its early years at least, have to be used first in bolstering the work of the links in the chain of local service which are regarded as necessary, but for some reason or other are weak. The federation also must always bear in mind that new givers clustering about itself are delicate in their interest; that they are like new babies; and one never can be sure that they will survive until they have passed out of the brooder period.

Outside agencies of this type are not justified in much complaint when a federation looks askance upon a request for funds that takes money out of the federation without any equivalent return in the way of interested givers, or of soliciting strength. Little complaint can be lodged against a federation which says to national agencies that have never raised money in the community and are now applying for funds, "What

have you to offer us in return for our help? We must protect our existing membership first; and add to that membership only those things that do not drain the support of our present members. We must ask you to put something in before you take anything out. Otherwise, what we give you is not ours to give, but belongs to some of our present members. What is your *quid pro quo?*"

A Mutual Association of Givers

By some means or other, national agencies also must have brought forcibly to their attention that part of the federation machine which is the mutual association of givers. Contributors have entrusted their money to the federation board as a trust fund, because they confess their own incapacity of judgment in the distribution of funds. They charge the board of the federation with particular caution in the exercise of its judgment on appropriations. A federation is a trusteeship created to distribute money in those places where it will be spent for the largest return in service with the least possible waste. This trusteeship looks with cautious eyes upon every appropriation made to local purposes; requires the most accurate and detached accounting; and examines the existence of the agencies with a view to determining whether or not someone else can get equal results with less cost. This trusteeship also requires of its local organizations an attitude of friendly give and take in the adoption of mutually advantageous standard practices and constant concessions and readjustments with the ebb and flow of work. National agencies are frequently started with more missionary ardor than the local groups; and having a continent as a field for exploration have found great diffi-

culty in understanding this dual responsibility of federations and its implications of responsibility.

We still have to consider those communities in which no appropriation of any kind is made by the federation to national agencies. In the early years of a federation there is reason enough for such a policy if the nationals have not been aggressive money raisers beforehand. A federation, like any other human institution, is a matter of growth. The inclusiveness it aims at is seldom attained at once. The coalescing of community forces and supporters is a slow, and not a running process. A federation must watch its step. If, however, it adopts this policy of noninclusion it should raise no objections to solicitation in the community by accredited national agencies.

National Coöperation

We come now to the problem of coöperative processes among nationals themselves. Up to the present only limited progress has been made. As we have already pointed out, national agencies in general have been aloof from community-wide thinking in the country at large, being concerned with one special problem and how that problem may be planted and cultivated in separate communities. The movement for local coöperation has not appealed to them, partly because of this, and partly because the headquarters of most of them are in either New York or Washington, cities that have been backward in grasping the essentials of the coöperative movement because of peculiar conditions of their own. Indeed, as we have seen, not a few national agencies have been actively hostile to local coöperation, and have rather futilely recommended that their own locals remain aloof from it.

The whole movement for national organization also is in a much more primitive promotional stage than is the organization of local social work. The story of American organization, whether political, church, labor, business or philanthropy, seems to follow very much the same theme. We get first the pioneer creative promoters who bring into existence the colony, the solitary church, the local union, or the corner grocery. Each of these in its beginning is of necessity individualistic. Like the rag-picker's fortune, it represents at the start nothing but a big idea, trundled about in a push-cart. Only as it is nursed by individuals or by little groups with unusual energy and unusual devotion does it finally survive to grow into a sizable institution. Presently the example of the successes stimulates other ambitious souls. The land teems with ability, and the pioneer organization is copied in large numbers.

There is never logic in this multiplication, as institutions are started as frequently from impulse as from responsibility. Those who control them are not at first inclined to be clear about their own boundaries. They do not study their neighbor's lot line; so that presently as the number increases they find themselves engaged in forays into one another's territory. This spirit of rivalry increasing with the growing number of organizations goes on until its intensity brings waste, criticism, and ill feeling, turning vast stores of energy that should be used for conquering new territory into the wasteful business of neighborly offense and defense.

Then follows the second step of coördination. Some of the brains which formerly went into initiate promotion are now turned into the channels of administrative organization and efficiency. A new control is evolved

covering over boundaries questions, central administration of common functions which are not interinstitutionally competitive by nature, leaving to the separate units that local and internal freedom which is the Anglo-Saxon's cherished heirloom. In politics we get counties, states and national governments, a conglomerate which looks to the uninitiated like a welter, and which seems nevertheless to work with reasonable success. In groceries we get the local, then the intercity, and finally the national chain stores. In labor there comes the city, the state and the national federation. In the church we trend through local federations at length toward a Federal Council of the Churches of Christ. And because we are Americans demanding the right of self-expression, which is not infrequently hard to differentiate from self-celebration, we almost never attempt perfect centralization, but almost always retain or recover our cherished principle of home rule.

We have passed through the corner-grocery phase of social service organization into local federations of all philanthropies; and we have now arrived at the stage of critical analysis of the faults of disintegrated national philanthropy. We find exactly the same criticisms leveled against national agencies that the givers of local communities leveled against local work. Manifestly among national agencies there can be no charge of duplication of actual case work, except as we interpret each separate community as a case so far as a national agency is concerned. When, however, we have some eight or ten agencies all professing to be the original promoters of community organization service, we are bound to get, as we have got, a quiet, if not an open, contest between some of them as to who is to organize a community. Or when we find, as we

do find, many agencies dealing with various special aspects of the problem of public health, or several dozen dealing with special aspects of child welfare, we are bound to have charges of duplication by those whose limited time forbids them a long enough excursion away from their work to unravel the intricate skein of purposes enunciated by these groups. It all resolves itself into this: whether there is duplication or whether there is not, there is, at least, the belief that duplication exists, which brings almost as much injury to social work as the fact itself. It is fairly clear that a distinct and unmistakable failure rests upon many of the national groups in not defining their fields in such a clear-cut and friendly way as to leave no doubt upon this point.

Again one hears complaints of occasional misuse of funds; of heavy overhead charges, which could be consolidated for reduction; of waste; and of overweening ambitions. We need only to say in passing that under the prevailing competitive situation there cannot but be truth occasionally in most of these complaints.

As we have previously seen, the culmination of local coöperative processes in the modern federation has come through a series of difficult and painful developments up from the centralization of relief, through the confidential exchange, through the endorsement conception, into councils of social agencies before the federation evolved. Some of these same steps are already taking place in the field of national endeavor. The National Information Bureau was created during the war by local federations to endorse war appeals for them in exactly the same fashion that the more consequential givers in the local communities expected their endorsement committees to endorse the objects seek-

ing local support for them. When the war was over the local federations with the assistance of a few of the foundations continued the National Information Bureau in existence to examine, report upon, and endorse national appeals that came to their communities. We see therefore the endorsement step already tried and the changes that flowed out of the old endorsement committees seem to be about to grow out of the national endorsement movement. At present a number of national agencies have had their business affairs reviewed and some attempts have been made at an evaluation of their services. A study is under way at the time this manuscript is being prepared of the financial support of some of the national agencies, its volume and its source; rather similar to many of the studies that have been the forerunners of federations in the local field.

Council of National Social Agencies

The council of social agencies step has also been taken in the formation of the Council of National Social Agencies, with headquarters in New York, where the executives of the various national agencies unite in a common council for the consideration of their mutual interests. This organization has confined itself so far to a program of general discussion. Its future activities are not as yet defined. In detached portions of the field, notably that relating to health and child welfare, functional federations have also come into existence, which are undertaking the difficult work of allocation of service for the reduction and elimination of duplication, and the carrying out of some extremely promising research studies that aim at real evaluations of the processes of social work.

The local federations look with favor upon all of

these efforts and hope that out of them will come a great clarification of the field of national service, a consolidation of many units, eventually a clear-cut pronouncement of those that are regarded as necessary, and the establishment of better understandings with local organizations which will guide and help them in making appropriations.

American Association for Community Organization

We should not close a discussion of national agencies without some reference to the development within the federation field of a national consciousness of its own, and a national movement to express that consciousness. Prior to the war, when there were less than a score of federations in existence, representatives of these agencies met in Chicago for an interchange of experiences, and formed the American Association for Community Organization. Because the federation movement has been dominated by such intense local consciousness which is merely another illustration of the prevalent individualism of most movements, the American Association started as a very loose organization, making no pretense toward a national expression of the ideas of federation, and not trying to lay down any uniform policies for these agencies. After the war, the Association devoted itself to analyzing the results of federation methods, and supplying the separate communities with the findings. Habits of giving on a nation-wide scale were studied on a statistical basis. Each federation reported the number of givers it had in definite classifications based on the sizes of gifts; and also the total sums it received from all of the givers within each of the classifications. With the census figures available of the population served

by each community it was possible to make comparisons and arrive at averages of expectancy that created for the first time an intelligent approach to the campaign problem. These studies have been valuable indeed in pointing the way to increased gifts.

An exchange of forms in general use in budget making, accounting, statistical collection, and campaigning, was started that has been helpful too. Publicity material has been regularly exchanged through the central body, including posters, pictures, news serials and features, and house organs from which many of the best ideas invented in separate communities have become the common property of the entire movement. An annual summer training school of federation secretaries was established at Ohio State University.

Communities in trouble have called upon the central office for help; and communities not yet organized have received a vast amount of guidance through the Association. Regional conferences of secretaries in a given locality have been helpful in many ways.

By 1926 the value of these common services had created cohesiveness among the various local federations and had demonstrated so much usefulness in national coöperation that the movement was ready for further attacks on common problems. Consequently the Association enlarged its staff, and set out on more extensive quests. A general publicity committee was created, to work not only on problems of publicity common to federations, but also to find ways and means of impressing upon the country with greater force than heretofore the need and usefulness of social work. A committee on research came into being to collect and organize data on a country-wide basis from which would flow measurement norms of the quantity, the

quality and the costs of social work, and from which accurate measurements of the value of work motions in social work might come; and from which more intelligent financing and budgeting would flow.

These studies are only in their infancy; yet one great value is already apparent. Social finance is the job upon which federation has laid major emphasis in these early years. It has done so because finance has proved to be the true cement that brings coöperation into action. The fragmentary studies of finance now made by the American Association bring into bold relief the absolute need of knitting government social work into coöperation, and of laying much stress in the next few years upon the development of endowments, earnings in agencies and tax-supported social work.

From all of these gropings toward coöperation on a national scale a new conception of the essential unity of social work is gradually emerging. Federation learns that it cannot build Chinese walls about separate communities; that each federation needs every other federation; and that federation as a whole needs the national agency. In their turn national agencies are beginning to find out that complete self-absorption does not pay. National agencies, no matter how big or fine, cannot progress very far without local coöperation, and without the coöperation of associate national organizations. The day of unrestrained initiative is passing in social work. There is need enough for initiative and energy, but not the thoughtless kind, not the kind that is governed wholly by impulse, and refuses to acknowledge the existence of others, or of a growing fund of facts which, when properly mastered, is bound to change many impulsive plans. When a continent lies at the feet of pioneers each is free to stake out his own

claim without too much reference to others because the staking out of claims is the beginning, the drafting of the plans and of specifications of the great structure that is to come. But when the land has been absorbed, and people are living in close proximity to one another, relationships and rules of conduct based upon friendliness and justice come into being. They must be respected and obeyed.

The hours of unrestrained pioneering in social work are numbered. Fields are largely occupied. A body of scientific facts and principles is accumulating; and the untrammeled freedom of the past decades is vanishing. Local workers and national workers are members of a great body. Coördination is setting in; and presently the antagonisms, the suspicions, the irritations over interferences will vanish, as a harmonious adjustment knits us into an understanding whole.

CHAPTER XVIII

THE SPIRITUAL POWER OF COÖPERATION

One of the world's great opportunities is knocking at the door of social work. While theology and science have been engaged in a somewhat futile warfare over the validity of various intellectual speculations, many of those who have been more interested in the fine sentiment of the brotherhood of man than in creedal doctrine have quietly striven for a workable covenant of peace between the eternal religious verity of universal love and some of the discoveries of science applicable to the practice of humanism. These servants of the common good have bent their efforts to vitalizing with spiritual dynamics the practical truths of biology, psychology, mechanics, sanitation, chemistry, economics and political science, in order to put them to work in the service of poor and rich alike. This reach toward a treaty between the two conceptions, to serve because the heart prompts us to serve, and at the same time to serve in those ways from which comes good to the individual and the race, while refraining from serving in ways from which comes harm, is the peculiar genius dominating the rise of modern social work. If it can finally succeed in getting the masses of men to occupy in organized serried ranks this meeting ground where all may merge their enlightened aspirations for service, with the emerging truths of humanistic science, the application of which lifts human beings out of misery

or prevents misery outright, it will have a claim to eventual usefulness, the equivalent of that of organized business, organized government, organized education, and organized religion.

The discovery of such a meeting ground was made by those early explorers in the realms of social service, Henri Dunant, Robert Hartley, Arnold Toynbee, Samuel Barrows, Sir George White, Sir Robert Baden Powell, and others of lesser fame. The exploration and gradual occupation of the colonies they discovered and founded has been going on through several generations. It has taken real ability, great courage, high devotion, and the most arduous work. The task remains to build upon the firm foundation of their labors the giant empire of good will which is to be the social work of to-morrow. Great obstacles still exist that must be mastered; and many a struggle with both inward and outward forces of stagnation, as well as between diverging routes of progress, must be engaged in before the full understandings of harmony and fellowship reduce the differences of old traditions and relationships, lock the separate substances in the warm embrace of permanent synthesis, and raise social work to the promised empire of a democratized spiritualized science of humanism. These obstacles are so great that social work must have the aid of coöperation in moving toward the darling object of its desire. We have already seen how coöperation is affecting the scientific approach. It remains to be seen how it affects the spiritual power that is the dynamo of social work.

The Need for Organization

A loosely organized society living without the fund of knowledge about things that cure sickness, save life,

and produce great wealth may trust well enough to its latent instinct to helpfulness for its humanitarian effort. But a highly organized society based on the competitive scheme such as most of the civilized world employs, and subject to all the probable disasters that flow from the wage system, congestion, the calamities of nature, the ups and downs of speculative gambling, as well as the natural incidence of sickness, accident, death, and unevenness of character and ability, is compelled to marshal some sort of service forces, just as it marshals its other forces. Competition is based on selfishness and hope for individual enrichment with goods, or honors, or contentment. The first necessity of competition is to get each player upon the field of play into a mood where he is constantly worrying about victory, and putting most of his strength into his competitive play. The daily round of exhausting his powers in the economic struggle, and of recuperating them for fresh exhaustion the next day, leaves little strength or time for the expression in action of his instinct for helpfulness. Under a system of congested organization of life we dare not rely upon haphazard promptings of individuals to good deeds to guarantee to our spiritual capacity for love that suffering will be eased, that injustice will be fought, that human beings will be reconstructed, and that misery will be prevented. Our uncorrelated, unorganized impulses to generous kindliness are so feeble and so fickle that if we depended upon any impulsive zeal to righteousness to relieve and prevent want and sickness and injustice, the total volume of misery that would flow unrelieved through the world would present an orgy of human suffering altogether too horrible in its contemplation. So, in order to get the greatest good for the greatest number,

it is necessary that the brotherly kindliness of men should be marshaled into an organization as mighty in its mechanism, as clearly intelligent in its direction, as powerful in its driving genius, as any other great organism in modern life.

The Part of the Church

This need for organization has long been felt in the world. For centuries man has been reaching toward it, building now this structure and now that, in never ending experimentation. And always the discipline of cohesiveness has been in conflict with the individual's desire to do what he wants to do. The emotional impulse to be helpful to others is instinctive in most human beings, and unless it is controlled by organization and by judgment, which is a combination of intelligence and understanding, it runs into sentimentality. Historically sentimentality has had its triumphs over judgment in the process of organizing philanthropy; and during those periods the ministry of charity and philanthropy has become dangerous to the individual and the state. Charity has one historic root in an ancient church that crystallized the spirit of unselfishness centuries before the principles of man's struggle for existence in a passive environment were put into formulas. It was the most natural thing therefore that the ancient and medieval church should create a tradition of self-abnegation in the practice of a sanctified charity for which one was to receive rather definite tangible rewards. Throughout the centuries this tradition has become crystallized, and people of all Christian churches have selfishly sought the rewards of unselfishness, sublimating their own selfishness into a belief that their occasional and promiscuous largess was a great blessing

to others. Beggars and ne'er-do-wells profited from their generosity, and pauperism spread until, as in the case of England through its famous poor law, the state was compelled to interfere to prevent social deterioration.

The Part of the State

For a time there was a promise that the contest between sanity and gross sentimentalism in charity would be largely between the church and the state. But the state was too cold, too easily satisfied with its own methodology, to be entrusted with the entire machinery of a people's benevolences. Its rigid methods forbade any real citizen-participation in its philanthropic enterprises the work of which was confined to a few officials. These officials were frequently self-centered also, and were guilty too often of using charity to forward their own fortunes. In many lines of benevolent endeavor they were not alert to newly discovered methods of usefulness and failed to grasp the spirit of changing times. The state did not succeed the church as the administrator of benevolences. Instead it added new administrative machinery that functioned with a somewhat different motive, and the church continued with a reduced and more sensible program.

Private Agencies

With the growth of the economic surplus resulting in America in great material comfort, luxury and leisure for members of the successful class, many men and women finding themselves freed from the long hours of work and the back-breaking labor of the past, perceived an outlet for their promptings for self-expression in a recrudescence of sentimental charity. Little

charity societies, sewing circles, Sunday school classes, free lance gentlemen and ladies bountiful, and later women's clubs, men's fraternal orders and clubs, sought diligently for a few poor upon whom they might bestow their offerings. Philanthropic chaos threatened to be the result. The movement for modern organized social work arose in part as a resurgent array of intelligence against this promiscuous growth of charity. Accepting the doctrine that man is an economic animal whose progress and happiness depends in no small measure upon his ability to support himself in an economic world, it set its hand early to reconstructing dependents to self-support and to fighting bad social conditions which either directly created defectives, delinquents, and dependents, or bred forces that brought them into existence indirectly. It introduced the principles of investigation, thorough-going knowledge of and adequate treatment of the poor. It developed a remarkably humane and intelligent system for the care of dependent children, and the protection of neglected and exploited childhood. It institutionalized the knowledge of medicine for its own uses; fought for the preservation and re-creation of opportunity; set its voice and hand against injustice; and made unwelcome forays into the realm of practical economics.

It was strong in its power of righteousness, but not yet strong enough in the power of its organization. Prompted by a generous and really noble purpose, it became so obsessed with the new friendship for its allied sciences, and its groping approach toward a science of its own, that it lost some of the enthusiasm for the fine sentiments that alone could light and warm the house of its habitation. It scratched the word charity out of its name; looked with scorn upon those

who said it was a ministry and not a profession; worked more assiduously for the creation of technology than it did for a sanctified spirit; and stood in real danger of losing the vitality which a frank and glad acknowledgment of its spiritual base alone could give. Social work, organized in numerous small independent units, had gained the confidence of a small group of intelligent and powerful people, but was distrusted by the masses when coöperation came upon the scene. This was partly because its constructive program emphasizes the great possibility of individual defeat in life's practical affairs, a fact that competitive democratic and bourgeoise America unconsciously conceals in the illusion of the possibility of universal success, and partly because its practices were altogether too methodically devoid of sentiment to attract many people. Charity organization societies, hospitals, public health programs, and character-building institutions, were alike charged by the public with being involved in red tape, and with being cold in their treatment of separate individuals. Unfortunately there was enough truth in these allegations to make a satisfactory defense extremely difficult.

It is not that the so-called professional social worker lacked real sentiment; but he submerged it. The daily routine of his work compelled him to shield himself in self-defense from too great outpourings of sentiment; and his close contact with the run of humanity showed him a host of human beings more in need of intelligent understanding than of sentimental purring. Then, as his professional consciousness advanced, he became absorbed in building and defending a none too popular technology.

The old form of social organization was behind the

times. It could not muster the necessary strength to regalvanize the inborn belief of the masses in service into great enough action to secure great enough results. It stimulated an upper crust of society of a few prosperous and deeply sensitive people but that was all.

Coöperation Stimulates Spiritual Power

When coöperation came on the field it undertook among other things the task of stimulating greater spiritual power for social work, by attempting the difficult but obviously necessary rapprochement between those who like the throb of sentiment and those who work from practical hard-headed motives of duty and common sense. The first thing it did was to align itself with a sane sentiment, to attempt an interpretation of the work for which it was asking support in the world-old elemental thoughts of human love, and in the simple language of simple people. The next thing it did was to begin to teach the spiritual qualities of social work in the ranks of its own agencies. The rapid spread of social work in the people's affections in the last ten years, for which federation claims its share of the credit, is due in no small measure to this sympathetic understanding of the people's challenge, and federation's acceptance of it. While it has not hesitated to protect the scientific spirit of social work, and to set its own cohesive power to forwarding ways and means of converting that scientific approach into a true science, it has not hesitated also to pull the husks of intellectual illusion off the kernel of love at the heart of humanism, and to insist in the name of humanity upon a more liberal interpretation of some of the restrictive rules of procedure.

The federation, being of and for social work and yet

somewhat detached from it, being of and for the democracy and yet somewhat detached from it also, has been compelled to learn that the masses who have, with exceptions of course, a great capacity for spiritual brotherliness, will acknowledge somewhat grudgingly the mechanical necessities of scientific philanthropy, if the bones of that mechanism are not flaunted in their faces. The problem is to convince them that love is the motive power that drives this apparently mechanical program, that dominates these seemingly cold workers. For there is nothing grudging whatever about their simple and elemental acceptance that love is the motive power of any support they give to philanthropy. They do not ask that social work shall abandon or deny its scientific approach to its problems. They do ask that social work shall tear the shroud of intellectualism off its benignant sympathy, accept without shame the age-old motive of love as the generator of its power, and compare its work with the gentleness and sweetness that would arise from such an acceptance.

No Conflict Between Science and Love

And they are right. No real conflict exists between science and love. At its best science, great as it is, is only a tool to be used by love for the physical and intellectual advancement of men. Love on the other hand is an integral part of man himself. Without it all his intellect would be fruitless; all his achievements would carry in themselves their own destruction. It is love that makes the father and mother give their lives to their children. It is love that causes neighbor to minister to neighbor. It is love that calls forth man's sacrifice on the altar of the state. It is love that is prompting the great outpourings of philanthropy which this gener-

ation is witnessing. And it is well that it is so, for love is the thin film of protection squirted between the wheels of life, that lubricates them and keeps the whole machine from burning out in the merciless friction of living.

Coöperation, then, has had the triple task of convincing great segments of social work that it must frankly accept the power of love as its greatest dynamic factor, of convincing the public at large that this is one of the acknowledged powers of the new scientific approach to human problems, and when these two admissions have been made, of building an enlarged structure of organization composed of professional workers, intellectual knowledge of ways and means, needed institutional tools, and a supporting democracy. It is the only possible combination in a republican society that can bring to realization the great aims of social work. It means harnessing to the vehicle of humanitarianism the spiritual power of all the people; and that combination will be irresistible.

If coöperation did not know the giant job ahead of it when it first entered philanthropy, it rapidly found it out when it began to use joint financing. The appeals to the public disclosed the truth at once. It learned with an impact that was undeniable that if this new conception of human helpfulness was to advance in the affections of the public, and was to be accepted by the masses as an integral part of life, it must discover some way of realigning the native sentiment of the people with the professional workers of the more advanced agencies that were constituent parts of its appeal.

The federation campaign, through its power of great organization, once a year sweeps down the barriers of selfish concentration on the glittering rewards of com-

petition, and electrifies the practical spirituality of the people. Neither church nor the old order of social service has ever accomplished what the federation is accomplishing in releasing the service impulses of mankind for organized communal life.

The Fight Against Intolerance

These giant difficulties that coöperation has faced, to fan into flame the spark of sanctified love in intelligent social work, to create an acceptance of a spiritualized scientific approach to human problems in the masses, and to unite these two creations into a great popular organism for the accomplishment of good, have been complicated by other difficulties. No problem of such magnitude is ever simple. The consistent inconsistency of humanity complicates any such problem with other problems. The spread of organized social work into democratic acceptance has been hindered by its own scheme of early organization, which generated some bitter internecine hostilities among its own devotees, and bottled up a portion of its original capacity for winning general adoption. We have already seen that social work has one root in religion, and another in science. There are other roots also, one in the state, one in the race and a final in man's capacity for small group gregariousness. All of these roots have sent up social work institutions quite independently of the others; and some of them have contributed a myriad of agencies not only independent of but also hostile to each other.

Take the church as an illustration. As the generations of Christians came and went the church did not maintain harmony within itself. Theological differences in religion became the cause of bitter battles, fol-

lowed by separations and the organization of numerous denominations, most of them looking with more or less hostility upon the others. This spirit of antagonistic rivalry tinged all the institutions established under the banners of denominationalism and thereby weakened the force of their spiritual impact upon the communal conscience. Whenever suspicion and contempt enter into human relationships, love and kindliness are restricted in their action, and the suppressed energy too often flames into hatred. The force that should be put to aggressive constructive ends is converted into offensive and defensive tactics against the unbeliever. Ku Klux Klanism is a natural phenomenon of waning theological creeds; and the missonary ardor of the various creedal groups spills over into the charitable and philanthropic work of the several denominations.

Coöperation entered the field of philanthropy with Protestant and Catholic arrayed, if not against one another, then in different camps, decidedly suspicious of and aloof from one another. Stories of the cold blooded and in some instances horrible treatment of human beings in the name of a barbaric religion were currently circulated among the adherents of each faith about the institutions of the outsiders. It also found several of the sects of Protestantism carrying on extensive philanthropic projects without consideration for the others, and sometimes in direct duplication of one another's efforts. A strong institution in one sect gave rise to jealousies in others; and agitations arose to create similar institutions under other church banners, ostensibly to help humanity, but in reality to strengthen the lines of the denomination.

In the meantime the so-called nonsectarian groups, tinged with the concepts of modernism, were rather

contemptuous of the denominational enterprises, and their feeling was heartily reciprocated by the church.

A somewhat similar situation existed because of the racial roots of philanthropy. Racial loyalties have fostered many social organizations that, although secular in control and administration, have much the same relationships to certain nationalities that the sectarian agency has to adherents of a religious faith. The Jew, inspired in part by a great religious teaching, and in part by the terrible Christian persecution that has buffeted him across the western world for generation upon generation, has created his excellent philanthropies for the protection and advancement of his own poor and oppressed. And yet in the very act of their creation he has set up an instrument that intensifies the prejudice against him. The German and the Pole, while leaning upon their respective churches for social organization, have nevertheless built certain nationalistic agencies that are outside the church. Separated by barriers of language and customs these colonies have lived much to themselves. Their older neighbors have been indifferent to the possibilities of friendship with them; and mutual understanding has been of slow and painful growth.

Coöperation picked up these denominational and racial agencies, shook them together, and opened the eyes of all active in social work to the common purposes and methods in use. Simple acquaintanceship is the first requirement for an understanding friendship. It is amazing to see the scales of hostility fall from the eyes of men who become acquainted, and to watch the astigmatism of intolerance begin to be corrected when human beings learn to know those about whom they have been skeptical.

Coöperative social work drew these suspecting groups of agencies together. First they became acquainted and learned that the motive prompting each to his service was generally the same. Some of the illusions disappeared around the thousands of conference tables where coöperation got its foothold in America. As the ground was cleared of mental obstructions, programs of mutual action began to form. We cannot remind ourselves too often that coöperation is not a complex mechanism hard to understand, but a simple principle easy to adopt and to carry out if one surrenders his egotism and will to its principle. That principle is defined exactly by the word itself. Coöperation means working together, and nothing else. When the agencies began to work together the second requirement for an understanding friendship had appeared. A good person cannot work shoulder to shoulder with another good person in strenuous tasks that have a single aim without becoming tolerant of the strengths and weaknesses of the other. Agencies are groups of people, nothing else; and when they had worked together for a period they generated tolerance.

The acceleration of this spreading tolerance is one of federation's greatest contributions to the life of the people. Budget writing has brought knowledge of the different programs that nothing else could bring. It has also brought knowledge of the general character tones and sincerity of purpose of the managers of all agencies. The spirit in which one seeks trust funds, and the attitude one has toward handling them after they are secured, furnishes an X-ray on human character and human purpose that is instantaneously illuminating. When Protestants saw Catholics behaving like gentlemen and ladies, and when Catholics saw

Protestants behaving likewise, their appreciations of one another were strengthened. Each rediscovered the eternal truth that two people may respectfully disagree on vital issues of a private nature and agree on other issues, and work together in the public interest. The annual federation campaigns have carried the spirit of religious and social tolerance further than any other movement in recent years. Here all sects, all creeds, and all races unite in hard, grueling labor for an undertaking in which all have much at stake. Meeting and overcoming obstacles together and fighting through discouragements to ultimate victory breeds the friendship, the respect and the understanding out of which tolerance is born.

Coöperation, then, is reaching for certain things of such great significance to social work that only the future will realize how important they really are. It is steadily resisting the inevitable tendency in any movement that becomes professionalized and institutionalized, to live too much by rules, ritual, and procedure; to do great good, but to do it in a way that defeats its universal application because it denies the spiritual birth pangs that brought it into the world. At one and the same time it is transfusing into organized social work, from the vast spiritual reservoir of the people, the spiritual life-blood that will make it pulse with real warmth and real sympathy; and through this action it hopes to array the passionate democracy in earnest support of the emerging intelligent science that makes social work the most advanced humanistic conception of the day. The whole future of social work depends upon this union.

CHAPTER XIX

CONCLUSION

The ability to think and the ability to organize are the two things that have given man his dominance on the earth. Starting from small beginnings in the obscure periods of man's life in the world this organizing genius, involving division of labor, the capacity to live under the discipline of common regulations, and the will for harmonious association, has come haltingly down the ages, always gaining increasing strength. Helped by the spread of communication, the expanding fund of knowledge, the mechanization of industry, and driven by a need for larger production to keep pace with the necessities of a multiplying population, man has learned grudgingly, and little by little, to merge himself into that harmonious relationship with others which is organization. Safety, production, comfort, and luxury, have flowed from whatever cohesive and gregarious mastery has been acquired so far in history.

In social work this organizing growth has come down to us of the present in various accretions. The tribe, the church, the nation, the state, the county, the town, the city, the guild, the order, and the free lance group, have all made contributions to it. The modern movement for coöperation is but another layer on top of the deposits of organizing talent that have been made hitherto. It aims to throw another ring of organization around those that have gone before; to bind these

previous separate and relatively free organizations into a union of themselves and of the people who are not yet organized for social purposes; to create a bigger structure than all the component agencies combined; and to push therefore the objects and purposes of social work into the reaches of the future with that greater intelligence and that great power that automatically flow from union.

Two Approaches

The modern coöperative process in humanism has been arrived at from two distinct and separate approaches which are nowadays merging into one. The citizen giver, deeply interested in philanthropy, greatly confused by the welter of solicitation beating at his door, not able to differentiate readily between the useful and the wasteful requests that come to him, being anxious that every penny and every moment that he contributed should perform the most useful service possible, undertook through coöperation to write into humanism a higher code of conduct than he was willing to use in any of his other affairs. He sought an economy of operation practiced nowhere but in the conduct of democratic government. He sought an efficiency equal at least to that of business. He sought an ideal of honesty and devotion equivalent to the high ideal of the church. And he sought a universal basis of support that occurs only rarely in government itself.

As usual the outsider and not the controlling insider wanted the socializing process to go to really effective lengths. It was the citizen giver who was the radical striking directly at his aims through the endorsement committee and the federation. With these instruments

he strove to translate his aspirations into a concrete giver's bill of rights. They are economy of operation; efficiency of operation; usefulness of service; sincerity of purpose; universality of support; responsibility of management; and a freeing of himself from wasted effort and the annoyance of repeated solicitation. In return he offered more generous support and hard labor in tasks that would be productive. The immunity rule, which is the most outstanding requirement that the giver lays upon the coöperative movement, is no mere gesture; not an ill-advised move of annoyance coming from mistaken irritation, but a guarantee from social agencies that the giver is something other than a game animal in the brush to be hounded and hunted at will, and that his bill of rights will be respected and observed. He is already showing a willingness to concede some slight modifications of the application of the immunity rule in the interests of these very purposes he has himself struggled for; but he is adamant upon the rights for which it stands.

The other approach to coöperation has been through the forward looking social agency and the professional social worker. Worried about the sentimentalism that prevailed in much of the old practice of charity; disturbed by the slowness with which the scientific approach to social problems has been received; distressed over duplicaton within the ranks of philanthropy itself; unhappy because better technical standards were in only partial use; desirous of larger support in order to do more work; anxious for the dignity and respect that goes with professional standing; and jealous lest the high idealism and the perfect freedom of the calling to attack any and all social problems should be throttled through some new unsympathetic control, the progres-

sive social agency and its worker have reached for co-operation in a more cautious and less direct way. They have produced the confidential exchange to reduce duplication in actual dealings with human beings, and to enable their services to be less wasteful and more effective. They have produced the council of social agencies, the functional group, and the geographic pool, as common centers for counsel, study, research, promotion of a better quality of work, the cementing of friendships, and the lateral and intensive spread of service. They have produced national groupings of local agencies doing the same type of work, for promotion of a common ideal and advancement of the best practice. And finally they have produced the beginning of a larger coöperative society of the best of these national associations.

The social worker and the agency are not to be censured for the slowness with which they have come to the more radical plans of the citizen contributor. They have had good reason to be jealous of their freedom of action and of their own autonomy. Not all contributors have consistently treated them with the respect, dignity, and confidence warranted by the high devotion, intelligent approach and real ability a majority of them have. Altogether too often some thoughtless wealthy person of poor breeding has treated the social agency and its worker as they are accustomed to treat common labor and household servants. Altogether too frequently some intolerant bully has tried to force his own views on the social agency. The modern social worker understands humanity with a keen incisive intelligence. He realizes that charity has its dangers as well as its healing powers, that unthinking persons, of whom there are more than enough, have no great under-

standing of his hard-headed common sense and his constant friendship for the advances of science. He has demanded properly enough, therefore, protection for the scientific approach of his agency before he yielded it to the control involved in the direct coöperative process of the giver.

In the last eight years these two approaches to coöperation have been knit closely together in a great fragment of the new development made up of the united councils of social agencies and financial federations in so many cities of North America. Going hand in hand the giver's federation and the worker's council have secured remarkable results. Costs of money raising and business administration have been reduced; much confusion has been cleared away; millions of new friendly supporters have been enlisted; acquaintance with the aims of philanthropy has been widely spread; greater and better work has been done; the scientific approach has been deepened; and the spiritual dynamo has been strengthened.

Only a Beginning

But the end is not yet. We are only in the beginning of a new and more powerful phase of organization of social work. Where is coöperation headed from here? What will be its ultimate shape and power? Some people whose eyes have been riveted on the pragmatic result in each locality, whose thinking does not include the national movement, believe that in each locality there will be a gradual complete centralization of practically all the many agencies now supported by financial federation, from which will emerge a single giant corporation, with various well-organized departments, each performing some major function of social

work. Those who hold this view point to the absorption of the small units into larger ones in a number of the early Jewish federations. It is true that a process of centralization of many weak agencies doing the same thing into larger, more commanding ones has been at work in federation cities. The same movement is evidenced in nonfederated cities too, although the unions are not made so rapidly and not so many take place in the same length of time. But there is nothing in this tendency either within federation or without to make one believe that it will go to extreme lengths. Those who anticipate it do not reckon with some of the larger national societies that have become world-wide in their operations, and whose vitality and organization personality is too important to be merged. Neither do they reckon with the ancient deep-rooted loyalties of race, creed, program and motive still dominant in philanthropy. They overlook also the initiative of workers, and the intense individualism of dominant citizens emerging yearly at the top of the social heap who will have their places in the sun of benevolence as well as in that of business.

The student of organization sees neither the time when all agencies will be merged into one super loyalty, nor the time when they ought to be so merged. He recognizes that coöperation is one thing and complete centralization quite another. While he wants all of the strength that important mergers will yield, and that general coöperation will bring, he does not want to sacrifice any of the power that flows from existing major loyalties, or from intelligently directed initiative.

Other people profess to see in the present coöperative movement an early step in the complete socialization of philanthropy. They think that eventually almost

all social work will be transferred to the government and will be supported by tax funds. They point to the transfer of most of our education to government, to the steady assumption by national, state, county, and municipal corporations of an increasing amount of social work. Yet they overlook some vital reasons for the probable continuance of private philanthropy upon a large scale. The philanthropic impulse is so general in man as to be almost universal. So long as a surplus of wealth remains in private hands, and the possibility of any real citizen participation in governmental administration is thwarted because it is not wanted, the probabilities of merging all private social enterprise in government are remote. Private social work to-day gives an opportunity for the self-expression of the individual spiritual impulse in a way that few other instrumentalities give. Governmental social work certainly does not do that and does not promise to do it. Coöperation, in spite of complaints to the contrary, is peculiarly sensitive to this instinctive desire on the part of the fine spirited citizens of the world to express themselves spiritually in philanthropic action. One of the major accomplishments of the movement is to encourage exactly this and to expand it. While a certain amount of centralization will come to pass both in and out of government in order to carry out other objects of coöperation, the autonomy of the separate agency and the right of citizen participation can hardly be challenged successfully by the movement. Whenever these are challenged the present coöperative schemes will disintegrate into the chaos from which they came.

Moreover probably there will never be a time when all private agencies receive their support through some

central funding scheme. After all it is not a method that we seek first, but a purpose. The purpose is a union of the scientific approach to humanism and the spiritual urge giving humanism vitality into an understandable, responsible system sufficiently dominant to permit the scientific approach to work itself into an economic and wasteless mastery of method, and sufficiently pliable to permit the simple spiritual element of sympathetic love to knit the rank and file of men and women into loyal devotion to the system. We do not need complete comprehensive support from a solitary pool of funds for this. We need to pool the support of a comfortable majority of private agencies, especially those of widespread appeal, so as to secure the dominant guidance for a general movement, and the loyalty of the people for that guidance and its movement. We can then rely upon the less direct means of coöperation, the counseling, the expert advice, the willingness to be helpful to all good things, the surveys, the pressure of public opinion and all the other methods, to knit into the mutual scheme for efficient and economic use the solitary foundations, the great trust funds, the rare agency that will choose to stand apart, and the social departments of government.

What of the Future?

We may lift the veil of the future enough to foresee that the cohesive power that has been generated in so many localities in this generation will spread beyond their confines into something bigger than any of them. Already the beginnings of national consciousness in the federation movement are discernible, holding the same objectives for America at large that the local coöperative holds for its community. Before many years have

passed we shall probably see a national giving week in which all financial federations will raise their money at once with more or less public rivalry between them. Common pictures, common stories, common forms, common calculations for budget reviews, common standards for research and a hundred new eliminations of waste, and new powers that come from mutual dependence will follow. We need not fear very greatly for this, because the locality will resist any undue encroachment upon its power of self-determination just as the agencies in the separate cities have done. Whatever comes from this on-sweeping national movement will be thoroughly American. It will be freedom within a guild, and not a lockstep within an autocracy.

Eventually it and the tendencies toward national harmony working through the functional national agencies will unite in some sort of friendly harmony. Whether we like it or not the tide is setting in this direction. All the history of the world leads toward bigger and bigger success of the organizing genius of man. We have come to the time in the world's history when the little organization, be it a nation, or a state, or a city, or a business or a social agency, cannot survive much longer if it tries to maintain complete exclusiveness within itself. Coöperation can make modern social work a dominant factor in the life of the coming generations. Failure to coöperate will swing humanism into some new expression which will yield to basic principles of organization, and throw social work into an insignificant bit of driftwood caught in the backwash of progress. Coöperation, if given a chance, will build the social work of to-morrow into a mighty empire of good will fraught with great significance for man.

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